File No. 253
1901

Collection No.

Mysore Residency

Pros. Serial Nos. 1 — 22.

Subject.

Petition from Dr. Govindaraja's Mudliar & others complaining against refreshment room licensees selling arrack

Previous References.

₹ 13/88
₹ 386/95

Later References.

₹ 30/01
₹ 325/02
₹ 339/02

S. 97. (Blue).
DCFP 6786&P—(G-1685)—10-3-30—1,00,000.

RESIDENT'S OFFICE.

Office Note.

FILE No. 253 OF 1901.

Petition dated the 25: may 1901 from the license holders of arrack shops in the Fort & Pettah complaining against the sale of Colombo arrack in the Refreshment Rooms in the Fort & Pettah.

Residents' order of 25: may 1901

To ~~The~~ Collector for favour of early report

Draft memorandum is submitted for approval.

28/5/01 28/5

D. 2 Memorandum dated N. 27097

31: may 1901.

Instructions.

Abkari contractors Civil and Military Station for 1901 April to March 1902.

1. M.V. Seshaya Chetty.
2. K. Adappa Shetty.
3. Hebbur Subraya --do--
4. V. Seenaya --do--
5. M. Govindaraj Mudaliar.
6. Venkatachella --do--
7. A. Venkatramaya.
8. V. Venkatachella Mudally.
9. Balamma.

No.5 has contracted to purchase.
No.2 -----do--------
No.6 -----do---------

In all 20 Arrack shops

1. Last year's purchase Rs.53,000/-
2. This year Rs.71,000/- under special assurance that they may sell arrack at any rates they liked- over and above annas 2 a dram fixed as minimum rate.
3. They pay at the Distillery as price
   0-6-4 per gallon for 30° proof.
   0-5-7 " " " 30° "

in addition Rs.4-12-0 as duty
---do----- Rs.4-2-6 -do-

Besides- What they paid as license at 180 Rs on each arrack shop
and - annas 4 per gallon on sales over 55 gallons a month in each shop.

All these have been undertaken on the belief that they were to be exclusive sellers of arrack for the year.

They find, to their utter disappointment and disgust that there happen to be 13 Taverns or Refreshment Rooms as they are styled, which have been purchased by others for Rs.13,000/- which is less by Rs.6,000/- than last year and who pay Rs.100/- a license fee, for the sale of "foreign liquor"

These latter have been and are now being permitted to sell arrack

arrack under the name of "foreign liquor" merely by giving a color to it or adding essences. They clear the stuff paying apparently the same charges and sell them, as they are able to do, at the minimum rate of annas 2 per dram.

The Result has been that in the arrack shops there has been a considerable and serious fall in the sales. So much so that whereas last year in April the sales in these shops amounted to 520ρ and odd gallons, this April these have been sold, only. 2600 gallons- thereby materially both the contractors and Government suffers in Revenue. Rs.650/- have been lost at the rate of 4 annas per gallon and a very large sum in the way of duty which would have been collected.

All this has occurred by the Tavern keepers being permitted to evade and suruptitiously sell arrack under false guise.

The question is- are they entitled to do this.

Paragraph 2 Conditions- Defines "Foreign Liquor In this.- "ALL coloured or flavoured spirits manufactured in the country"

The Hon'ble Resident's Notification No. 1066 dated 28th February 1901.

(1)has been improperly construed.

The coloring and flavouring must be in the manufacture or making of the spirits and not by subsequent mixing of burnt sugar &c. This is specially apparent from the express ~~express~~ exclusion in the end of that paragraph. See also condition 17. As at present they clear the arrack "excised at the rates" and giving a color to the same pass it off as foreign liquor, which is clearly against the provisions of the section itself.

Section 23 provides general remedy.

Duty

Indian Tariff Act Schedule III No.1.

Duty on colored &c. spirits Rs.8 per gallon London Proof.

If calculated on 20° under proof proportionately Rs.6-6-5 at least should be charged on what is termed foreign liquor. This is one of the remedies suggested.

And the parties who have in violation of the rules must be made to pay up or make good the losses both to Government and to contractors.

The contractors are suffering a loss of Rs.3,000/ a month.

Statement of Profits and Loss-

Total sales last year. 64000 & odd gallons.

Amount realised by Government	Duty at 4/12/- per gallon.		3,04,000
	at 0-4-0 over 1200 gallons	....	12,400
	Total		3,16,400

If the sales were only half, the amount realized will be only of the above- i.e.1,58,200/- say Rs.1,50,000 clear loss to Government.

The present rate at which they sell is 0-2-4 per dram 20° u.p.
0-2-0 " " 30° u.p.

If "foreign liquor" we "tariffed" as such they could not afford to sell 20° u.p. at less than 2 annas 4 pies and will compensate Government for loss.

Messrs. Parry & Co, have what they call a "wholesale Depot" near the market. From this they supply to all Taverns and others.

An examination of the following points may elicit some valuable information.

1. How many gallons have been brought over to this Depot.
2. How many of double distilled spirits? How many of single distilled ?.
3. What Duty has been paid on each
4. How much of this has been sold to Taverns and under what denominations

E. What sums as "Tariff" realized.

Besides this- Runge Gowdon is importing similarly. He stores in his Beer house and retail Taverns. This ought to be suddenly handed up. How much has been imported &c. &c. should be examined. Railway Accounts may also throw light.

RESIDENT'S OFFICE.

Office Note.

FILE No. 253 OF 1901.

A.N.3

Petition dated the 17: June 1901 from Mr. V. Shankaya Shetty & others against Contractor of Mr Stokes complaining against the sale of arrack in the Refreshment Rooms in Mr Stokes.

Resident's order dated 17: June 1901.

F.A. Please see how this stands. It seems to me with careful enquiry at once.

First Asst Resident's order of 17: June 1901

Please put up papers this evening

A petition on the same subject has been sent to the Collector of Mr Stokes, for early & careful report on the 31: May 1901. No reply has yet been received.

A.N.2.

I

Papers submitted. ~~If the report received from the Collector be satisfactory, the~~ copy of the present petition may also be forwarded to him for a complete report

A.J. (The petition is signed by only one person
17/6/'01 Arunga Shetty though it purports to come from Shankaya Shetty & others).

17/6/01.

(Continuation of Note or Precis).

D.4

N.1636 dated the 17th June 1901 from the Collector & in Statistic, reporting on the petition dated 25th May 1901 from Govindaraja Mudali & other Peasants holders of arrack shops in taluk & in Statistic.

This report makes no reference to the points raised in the 2nd petition received from arrack shop keepers. This petition may, if approved, be sent to the Collector for report with special reference to paragraphs 15 18, 19, 24, 25, & 26 of that petition.

D.N.3

18
19/6/01

19/6/01

I kept this as Mr Harris promised to let me have some further information in continuation of his letter of the 17th instant. This, however, he has not done. Please now send the petition to him officially for requesting a full report on all the points raised in it In particular enquire how far the sales in the foreign liquor taverns recoup the loss incurred by reduced sales in the arrack shops, whether he considers that under the terms of their licenses the t vern keepers are strictly entitled to sell the coloured liquor closely resembling arrack which they are now understood to be vending, and whether it is a fact that the liquor which they thus sell is excised at the rate of Rs 6 per gallon, and whether the Collector considers that this is the proper rate at which it should be excised. With reference to the concluding words of para 2 of his report of the 17th instant I ask him to be good enough to give the details of the calculations which lead him

to believe that the arrack shop holders are unable to sell at two annas per dram without incurring loss. Enquire how many drams go to the gallon according to the measure in general use.

L.R.
28.6.

Letter issued No 3144 of 29 June 1901 to the Collector, Bombay Suburbs -

I.N.5

Hix N. 293
1901

RESIDENT'S OFFICE.

Office Note.

D. N. 6

N. 1959 dated the 25th July 1901 from the Collector, Coorg to Station.

The report of the Collector is against the petitioners; but the following points seem deserving of notice:—

(a). the duty at which double distilled arrack decreed like foreign liquor is to be excised. The Resident's Notification N. 2102-13 of 23rd June 1888 prescribes that this arrack should be excised at the full rates of duty chargeable under the Indian Tariff Act XVI of 1875 (Rs 4 London proof) Under (the Tariff Act, VIII of 1894, the duty has been raised to Rs 6 London proof. In paragraph 3 of his note the Collector says that it has been decided such liquor should be excised at Rs 5-15-0 proof.

D. 12-Sep. Hix 13 88

The Records are unable to trace papers on the subject. (The selling price of arrack declared under the Notification of 1888 to be foreign spirit' was fixed at Rs 6-4-0 a gallon proof)

1-17-Hix 13 88

If approved, the Collector may be asked to quote the authority under which for exacting double distilled arrack at Rs 5-15-0 proof is now exacted at

12

(b) ~~The point at~~ * whether the arrack sold in the foreign liquor shops in the Territories is double distilled ~~or~~ as such falls within the scope of the Resident's notification No. 5107-128 of 23rd ~~June~~ Dec 1895 to justify its being sold in these shops as foreign spirit. The Collector justifies its sale in foreign liquor shops for the reasons given in paragraph 6 of his letter: but it is clear that there is no double distilling; the process adopted may be equivalent to double distillation, & in order to render the arrack double distilled for the purposes of the notification cited above, an order must have ~~as~~ in ~~my~~ x ~~opinion~~ passed for the C. & Ex. Statistics deeming the rectified liquors as being equal to double distilled. In the absence of such an order it is a question whether the liquor can be deemed to be "foreign spirit" & whether its sale in the foreign liquor shops was legal.

S. 27. File 17 88

x Vide the footnote marked in pencil by the Collector's office

(c) The statement contained in the 2nd ~~clause~~ paragraph of the Collector's letter is not clear. The Collector may, if approved, be asked to explain it.

It would seem desirable to come to

(Continuation of Note or Precis).

some amicable arrangement with the arrack ~~[illegible]~~ vendors & to prohibit the sale of the so called double distilled arrack in foreign liquor shops, until at any rate an order has issued for the stocking that liquor to the equivalent to double distilled arrack. The Collector may, if approved, be asked to discuss the situation with arrack vendors & to submit a further report in ~~[illegible]~~ connection to the investigation of their grievances ~~[illegible]~~. It would seem that the ~~vendors are entitled to recompense for the past as well~~ — they have a real grievance which must, if possible, be remedied.

H.J.
30/7/07

H.J.
30/7/07.

RESIDENT'S OFFICE,

Bangalore 1st August 1901.

My dear Mr Hinde,

Could you kindly come over to see me with regard to that petition from the arrack vendors as to competition by the foreign liquor taverns, bringing with you the papers on the subject including the rules and orders bearing on the matter?

I shall be in my room at the Club at 7 p.m. this evening, and, if that is convenient to you, I should be glad if you could come then. Otherwise will you come at 11 o'clock tomorrow morning

yours sincerely

A.B.Hinde Esq.

15

(Continuation of Note or Precis).

I discussed this case today with Mr Hunter in office and again this evening —

Please first thing tomorrow put up the file containing Colonel Robertson's general report to India of about 98 or 99 on Eritrea administration

WR
28

File 386/1895 (not received yet) is submitted.

RE. 3/8/01 Record please and resubmit today 2/8

Received 3/8/01 3/8

1 file 386 sec 17 pt B

including No 180 Camp d. 9th May 1897. & No 140 d. 12th January 1895.

Seen A Wkly 386/95

rentals. On Saturday last they paid into the Treasury rentals on nine shops viz Rs 2550-0-0 leaving the balance due on the remaining 11 shops amounting to Rs 3,398-5-4 unpaid in addition to which they owe Rs 1800 being Negotiation fees. I have sounded them as regards the abolition of the licence fee of 4 annas a gallon on excess sales but learn that if they were given this concession they would make a reduction in their selling price of arrack, what they desire is that the rentals of their shops from 1st Augt to 31st March be reduced to the rentals paid by the licensees last year the shops last year were sold for Rs 53,540 = Rs 4461-10-8 a month this multiplied by 8 being the number of months from 1st Augt to 31st March Rs 35,693-5-4 ~~Rs 4,693-5-4~~

Bangalore
5th Aug. 1901

My dear Mr Russell

The deposit made by the barrack shop licensees was Rs 11,896-10-8 being two months rent in advance, so that when they failed to pay their shop rents for July we held one month's rent in hand viz Rs 5948-5-4 covering the August

the present rental for eight months amounts to Rs 5948-5-4 × 8 = 47,586-10-8 = Rs 35693-5-4 = Rs 11893-5-4. and were this reduction of Rs 11,893-5-4 made in their rents they would agree to sell at the same price as last years licensees, but I really cannot place reliance on what they say, and in any case would consider a reduction on such as a bad precedent to adopt. I am proceeding to attach property

Collectors 17 office note

The 20 arrack shops in the Station were knocked down for Rs: 7,380 for the ~~year~~ current official (1901-1902) year and the monthly rate of rent rents due by the shop keepers amount to 5948-5-4. Particulars of rent rents paid from April to date are appended below. The shop keepers have besides deposited two months' rent rents at the time of auction partly in Cash & partly in Govt Rno = notes.

(1) { Part of rent rents for April paid during April 1901 — 1949/2/8
In full payment — do — paid during May 1901 — 3999-2-8

(2) Rent rents for May 1901 paid during June 1901 — 5948-5-4

(3) — do — June 1901 — July 1901 — 5948-5-4

— do — July 1901 in respect of shops Nos: 1, 4, 6, 8, 14, 15, 17 + 20 paid on 2nd August 1901 — 2099-2-8

As regards the rent rents for July 1901 in respect of the other 12 shops, the Supdt of Excise has already been asked to take steps for their recovery. An application from the shop keepers asking for a grant of time for paying rent rents has also been referred to the Supdt for his remarks.

T.B. 8/5/01

Dear Russell

Forwarded original 6
Save delay You will see that besides
the 2 months deposit, we have collected
in full the rents for April May & June,
and are now collecting the July ones
Yrs 5/8/01

Bangalore
6/8/01

My dear Mr. Russell
I got the arrack
shop licensees to pay
up further rentals
on their shops today.
They have now paid
on 15 shops and for
the remaining five
they promise to pay
tomorrow. I have
therefore made no
attachments as I

believe I can get
the money out
them without having
to do so. I will
report progress again
report ~~results~~ tomorrow
afternoon.

Yours sincerely

W. H. Finch

Resident,

Please see the two petitions below. The signatories are licensess for the vend of arrack in the Civil & Military Station, having purchased the right by auction in accordance with the terms of the Resident's Notification No 994 dated the 26th February 1901, serial 4 in file 30/1901. The arrack which they sell is manufactured by a contractor who, under an arragement entered into between the Resident and the Darbar, holds a monopoly of the right of manufacture. The terms of this monopoly will be seen from the notification a copy of which forms appendix II to Colonel Robertson's letter of the 9th May 1897 to the Government of India. Under the terms of that notification it is excised at the rate of Rs 4:12:0 20 degrees under proof, which I understand to be equivalent to Rs 5:15:3 proof.

2. Under the conditions of their license the petitioners are prevented from selling at a lower rate than 2 annas per dram, but no maximum rate of retail sale is imposed. Hitherto it has been the practice to sell retail at the rate of two annas per dram, which is the price fixed by rule in the

neighbouring Mysore territory. This year, however, the licensees have conceived the idea that a large profit might be obtained by raising the retail price to 2½annas per dram.

3. The foreign liquor vendors against whom the petitioners direct their complaint similarly purchased their right of retail sale of foreign liquor under the terms published in the Resident's Notification No 1066 dated the 28th February 1901. Under the second of the conditions of license published in that notification the lessees are entitled to sell any coloured or flavoured spirit manufactured in the country and excised at tariff rates. The liquor to the vend of which in the foreign liquor shpps the petitioners object is undoubtedly coloured or flavoured. There remains the question whether it is excised at tariff rates. The tariff rate of duty on such liquor under Act VIII of 1894 is Rs 6 per gallon proof. The supplies which the foreign liquor lessees obtain from the Mysore Government distillery referred to in para 1 above are actually excised at the rate of Rs 4:12:0 20 degrees under proof, which, as above noted, is also the rate at which arrack is excised and is understood to be equivalent to Rs 5:15:3 per gallon

proof. This rate was notified in the Mysore Government advertisement which forms appendix II to Colonel Robertson's letter of the 9th May 1897. Strictly speaking, therefore, as it is excised at nine pies per gallon less than the tariff rate, the lessees of the foreign liquor shops are not entitled to vend this liquor, under the terms of their license. Under the notification of the 23rd December 1895, however, cited by Mr Harris, this spirit falls within the definition of foreign ~~xxxxx~~ liquor, though only excised at the same rate as arrack. That notification appears to be still in force, and the petitioners cannot have any good ground of complaint, if the definition there given is acted upon. The difference of nine pies per gallon between the excise duty and the tariff rate is so small that it cannot affect the question of competition between the two classes of liquor. There seems no doubt that spirit prepared from Coffey's still may reasonably be held to be double distilled.

4. The possibility of competition between the arrack shops and the foreign liquor taverns is one which has been foreseen by the Government (though not

apparently by the petitioners) vide paragraph 9 of Colonel Robertson's letter to the Government of India dated the 12th January 1899, serial 65 in file 386/1895. It is the action of the petitioners in raising the retail price of arrack which has brought the competition into actual effect. The petitioners can have no rightful grievance on this score, and their obvious remedy is again to lower the retail price to that which formerly prevailed and at which the spirit is still sold in Mysore. Their difficulty in doing this is no doubt that owing to the large price which they have paid for the farm this year, they could not hope with normal sales at the lower price, to clear any profit, or indeed to save themselves from a considerable loss. This doubtless is true, but their loss under present circumstances is likely to be even greater than if they again lowered the price and sold at two annas. This, however, is their business. They have overreached themselves, and have paid a price for the farm which cannot be remunerative.

Flag C

5. Meanwhile the Government revenue is affected. The rise in price no doubt to some extent diminishes the total consumption of liquor, and to this there

can be no objection. I understand that this is consistent with the general policy of the Government of India, and the Government has had it s advantage in the enhanced price paid for the farm. Apart, however, from the diminution in consumption, the extent of which cannot well be calculated, and is not probably considerable, there are other obvious results of the rise in price. In the first place consumers have recourse to shops in Mysore where they can still obtain liquor at the old price. This means so much loss to the revenues of the C.& M.Station and a corresponding gain to the Mysore State. In this connection it may be borne in mind that the surplus revenues of the C.& M. Station are eventually, it is understood, to go to the Darbar. Apart from this, however, consumers turn also to other kinds of liquor. The substitutes are foreign liquor distilled at the Mysore Government distillery, foreign liquor imported from Madras, beer and toddy. The first of these , as has been seen, pays the same duty as arrack, and apart from the fact that no excess fee on sales over a certain limit ~~xxx~~ is realised as with arrack, no loss results to the revenues of the C.& M.Station. In the second case revenue

goes at practically the same rates to Madras or Imperial revenues, acording as the stuff is excised in that Presidency or subjected to tariff duty on importation. In the third case the revenues of the C.& M.Station benefit immediately inasmuch as all beer sold retail in the C.& M.Station pays a fixed rate of duty per hogshead. In the fourth case there is some loss, as no duty is taken on the actual amount consumed. I understand, however, that the raising of the price of arrack actually led to the realisation of a somewhat higher fee for the farm of the toddy shops. The Collector has shown that for the months of April & May there was an apparent average loss of about Rs 10,000 per mensem. At this rate for the whole year the loss would amount to Rs 1,20,000, ~~xxxxxxx~~. This, however, takes no acount of beer revenues increased in the C.& M.Station, or of increase to Madras or Imperial revenues. Nor is any account taken of the fact that the price bid at auction for the farm exceeded that paid last year by some Rs 18,000.

6. Under the terms of the license as it stands I think it is clear that the Government has no power to direct the petitioners to resume the old rate

of retail sale, though I note that in the corres-
-pondence on excise matters with the Government of
India it has been laid down as a principle that the
retail price of arrack in the C.& M.Station should
always be the same as that fixed by the parbar.
Apparently when the licenses issue for next year
a fixed retail price should be insisted on.
For the remainder of the present year it is
possible that if some concession were made to them,
the petitioners would be willing to reduce their
price. They do not, however, seem to be entitled
to any special consideration, and it is doubtful
whether the prospective advantage to the Government
would be sufficient to outweigh the disadvantage
which would obviously attend any concession.
Had the petitoners succeeded in their design they
would have cleared a large profit and would have
caused a simultaneous loss to the Government.
To grant any concession would be an inconvenient
precedent. X.

7. I understand that it is highly probable that
if orders are passed unfavourable to them the
petitioners will throw up their contracts at once.
In that case the Gover ment is nominally secured

against any loss on resale by the terms of the license which make the present holders liable for any diminution of price. Practically the amount might not be realisable in full, but at any rate Government holds their deposit of two months fee, in addition to the instalments which have been regularly paid month by month excepting that for July, for which month I understand that about two thirds of the fees have been so far paid, though the whole is now overdue. If the shops are resold an additional clause may be added to the conditions requiring that the spirit should be sold at the rate of two annas per dram retail.

8. For the present then I would simply inform the petitioners through the Collector that their claim that the locally manufactured foreign liquor should be excised at the rate of Rs 8 per gallon appears entirely untenable. The competition which has arisen is entirely the result of their own action in enhancing the retail price, and the Resident is unable to assist them.

MP 12/8 LG. 7.8.

Letter issued N-4011 of 14th August 1901 LG 12.8
to the Collector, for Mr Stubbs.

N.M.7

Early

FAR

Please mark hazards

and to follow with work

here in person and comm. ok

by Hunter and also known

visited [illegible] also allowed

to be without safety apparatus

known may by before her

(Mr. H) known

VR

19/II/02

VR

Copy.

Draft submitted for approval.

RK

20/2/02

LO

28.2

Issued N. 4 of 21-2-02.

File N. 253
1901

2

RESIDENT'S OFFICE.

Office Note.

P.10 Letter Dated 26th February 1902 from
Mr. W. Seshamma Chetty & others, Vizagapatam.

P.11. Letter N. 495 Dated 3rd March 1902
from the Collector, Vizagapatam.

P.9 The petition forwarded by the Collector
with our letter comp N. 407/31: February 1902
has not been returned, but in its place
the amended petition received with the
petitioners' letter of 26th February has been
kept.

The petitioners case has been
noted in at length in pages 19 to 26 of
the notes appended to Dr. No 1 to 7 of this
file. Nothing new has been advanced
in the present petition except that
in paragraphs 7 & 8 thereof it is pressed
that it was intended to allow the sale in
foreign liquor taverns of the Co-operative
arrack drawn not from the rectifier
of Coffey's process as it has not been deemed
how not sufficient to be equal to double
distilled arrack in the Presidency. In
reference

reference to this point, please see notes in pages 12 & 13 & also in pages 20 & 21 of the Notes appended to Pl. 167 of this file.

The petitioners purchased the shops (20 in number) for Rs 71382 against Rs 53540/- in which they were sold in the previous year. The excess is Rs 17840/- They ask for a remission of two months rent which amounts to Rs about Rs 12000/- Mr. Harris is of opinion that the petitioners deserve no consideration but would recommend, as a concession, the remission of the registration fee of Rs 180/- per annum which amounts for the 20 shops to Rs 3,600/- or a little over 1/4 th of the amount asked for by the petitioners.

If any remission be granted, it has to be sanctioned by the Govt of India. There seems to be no provision either in the Account Code or in the Excise Act under which a Local Govt can sanction remission in the case of Imperial Revenues.

7/3/12

Rs/-

There appears to be no good ground for the grant of any concession. The Collector may again be requested to inform

the petitioners in the terms of their letter to you dated the 14th Aug. 1901. (serial 7 253/1901)

L.P. 16.3

I should like to go on the morning of the 25th if the Collector is at home by then perhaps. (I should like this) please ask him to call for me at 7-30 a.m. & let me have this file (with reports keeping slip) in the office by the 24th. a reminder

19.III.02

L.D. 23.

I showed this to Mr Lloyd. I have today sent him the reminders below

L.D. 24.3

Rest.

L.D. 24.3 I agree with Mr Lloyd's 16 March - I kept the file as I thought it expedient to receive the information asked for some days ago

D.M. 4/IV/02

S.W. Issued No. 1966 7.4.02 I.S.4/

5

THE RESIDENCY MYSORE

BANGALORE.

24th March 1902.

Dear Lloyd,

A line to remind you about meeting the sident tomorrow morning to go round some of the arrack shops. Will you please call for Colonel Robertson at 7.30 a.m.?

yours sincerely

E.S.Lloyd Esq.

Collector, C.& M.Station.

RESIDENT'S OFFICE.

Office Note.

Resident's query and Rep

F.A.R. The Collector said he was going to send me statements shewing the issue of arrack from the Bonded Warehouse for the last 2 or 3 years.

(Sgd) F.R.

First M.D.: Resident's note thereon. 28/3/02

Please send official letter asking for them.

(Sgd) L.R.
28/3/02

The letter has been received & is submitted herewith for perusal

29/3/02

Please refer below the totals of the combined duties.

7

on arrack and foreign liquor for each month of the two years

25.3.

Statement showing the totals of the Combined duties of Arrack & Foreign liquors

Month	1900-1901			1901-1902		
April	25,074	3	"	15,339	12	3
May	26,171	9	"	15,762	4	3
June	28,527	2	"	17,767	2	10
July	26,201	"	"	16,975	2	"
August	25,729	8	6	19,369	3	6
September	24,177	3	6	14,975	9	"
October	27,392	9	6	17,473	9	6
November	25,509	11	"	17,325	11	"
December	29,617	11	"	18,519	12	6
January	24,022	10	6	18,431	5	"
February	20,629	15	6	15,458	11	"
March.	22402	7	"			

SDP 3/4.

3/4/02

Read. Perused. The com
tables show a falling

off and it may be assumed that there has been a resulting increase in heart rates

VOT
4.4

4.IV.02

Recorded
VT
5/4/02

9

Office of the Collector and District Magistrate,

C. & M. Station, Bangalore.

Dated, 29. 5 1902.

Dear Russell

The accompanying file returned with thanks I propose to move in the matter as to whether the so called rum should in future be treated as foreign liquor before the end of the existing lease Yrs sincerely E Keay

File N. 253/1901

16

RESIDENT'S OFFICE.

Office Note.

4

A.13

Petition dated 26: October 1902 from Mr. V. Seshayya Chetty & certain other arrack licensees holders of the Retail Station for the year 1901-1902.

The case has been fully noted in pages 1 & 25 26 of the notes appended to Rl. No. 1 to 7 & in pages 1 to 3 of the note attached to Rl. No. 8 & 12 of this file. There is nothing new urged in the present memorial.

The memorial cannot be entertained under any of the rules contained in the Home Dept. resolution No. 1812 dated the 11: October 1889. It has, under Section III paragraph 1 of that resolution, to be forwarded to the Govt. of India with a concise statement of material facts & an expression of opinion.

A.12-A. File 508/'85

A.S.
23/10/'02

The memorial seems liable to rejection under Rule 3 (10), Section III, of the Memorial rules. Form only-

of the six persons who became signed the present memorial subm. mitted a representation to the Rest on the subject in May 1907, and the orders of the Rest were communicated in this office letter No 4011 of 14. August 1907. They incarcerated for six months, and sent ~~a fresh petition~~ another petition (this time signed by all the "present memorialists") to the Rest ~~who refused~~ refused to reconsider his previous decision

~~The Abbot~~ The Supt of Prisons communicated the Rest's orders to the petitioners on the 21. april 1902, and the present memorial, dated the 20. ths appears to have been received in this Office on the 22. of.

s 1. 7 May 14

s 7.

s 8.

s 12.

orders to previous memorial, 7 Dec 14

(Continuation of Note or Precis).

No. on list 22nd

(possibly, on the 21st). The memorialists have not assigned any reason for the delay in the submission of their appeal.

The memorial seems also liable to rejection under Rule 3.(12), section III. of the Memorial Rules.

S 12 A of file 508/1893 read with S. 31A

If approved, the memorial may be withheld under ~~passes~~ Rules 3.(10) & (12), section III of the Memorial Rules. In any case it cannot be forwarded without all the enclosures being signed by the memorialists as required in Rule 2, section I, of the Memorial Rules

24/10/02

Resident.

It may withheld as being time barred under Rule 3(10). & action taken accordingly. 27/2

27/2

27/2

Draft endorsement is submitted for approval.

A.S.
28/10/02

28/10/02

Board No: 62349 5.11.02 | 14

Pet. No. 253
1901

14

RESIDENT'S OFFICE.

Office Note.

A.15

Petition dated ——— (received on the 22nd December 1902 from Mr. V. Seshagiya Chetty & other arrack shop keepers, for the retention of Vaniyambadi.

A.13 A

The petitioners in the memorial to the Govt of India are six in number while the present petition is signed only by three persons. The petition may, if considered proper, be rejected on this ground.

Flag A
A.1

Four of the petitioners personally spoke to the Resident on the subject in May 1901, & they were informed on 8th July 1901 that the Resident was unable to assist them

A.7

A second representation signed

A.8

by six was made in February 1902 to

A.12

which a reply was sent - that the Collector

7 7: April 1902

referring them to the orders passed in August 1901. It is now stated that this reply did not reach them till the 25 April 1902, & they therefore urge that their memorial to the Govt of India is submitted

* Received in this Office on 22nd October 1902

Continued

within the expiry of six months from the date of communication to them of the order of the Resident & pray that the memorial may be forwarded to the Govt of India -

The memorial is clearly beyond time if it be taken as an appeal against the order passed in August 1901, but in that case, those ~~if~~ orders were passed on a petition signed by only 4 of the petitioners - If, as it evidently happens to be, the memorial is an appeal agst the order of 7 April 1902, it cannot well be withheld under rule 3 (10), section III of the memorial rules, and it is doubtful whether it can be rejected under rule 3 (12) of those rules, read with those despatch letter No. 2565/98 of 29th Dec. 1898. If the memorial were to be forwarded, a concise statement of material facts has to be sent with an expression of opinion under rule 1 section III, but the enclosures of the memorial should first be hand copied by the memorialists as required by rule 2, section 1, of ~~these~~ rules -

But this petition was presented by Sir Sadasiva on behalf of all.

A.12

A.12 A. Rule 5(2) & 5

A.31 A

A.1.
24/12/02

The first appeal, though signed

(Continuation of Note or Precis).

only by 4 of the petitioners, was presented by Mr Subbiraha on behalf of all the memorialists; & the orders passed in Aug.t 1907 - S. 607 - may therefore be regarded as the orders against which the present appeal to the Court of Judicature is made. The second petition presented to the Board was only for a review of the original orders The appeal seems therefore clearly time-barred, & the memorialists may be informed accordingly

Under Power of Attorney attached at S. 601

S. 8

21/1/08

Rec.d

I don't know what proof petitioners have that the orders were not communicated to them till the 25th April - If this is a fact we cannot withhold the memorial as time-barred.

We cannot hold that the present

appeal is against the orders passed
in Aug.t 1901 on their original
~~memorial~~ petition praying for certain
forms of relief. In their petition
of Feb.y 1902 they asked for re-
mission, though they put forward
no new facts -

Either we may ask for proof about
the date of the communication of
the order, or we may now have
the memorial properly signed, &
prepare a concise statement of
facts for submission to Govt -
I understand the latter as
the date of Secretary's endorsement
is only 20th April 1902 & we may
assume that petitioners did not
get it before 22d & this brings
the memorial within time.

22/1/03

Resp.y Jagpersad Mr. Gen.l
Please let us see proposed draft order
Mr. Whitehead

23/1

Draft endorsement to the memorialists is submitted
for approval - (A draft letter to the Govt. of India will be
submitted on return of the memorial) -

R.I. 26/1/03 26/1/03

Issued N. 6300 30-1-1903

RESIDENT'S OFFICE.

File N. 253
1901

A.17

Office Note.

Petition dated 20th February 1903
from certain of annah license holders
of Nii station

Please see note appended to
Sl. N. 15. The memorial may
be submitted for the orders of the Resident
of Sudan - Dept. is submitted for approval
A.S. which will be received on the
21/2/03 being passed by A.A.G.

A.S.
22/2/03

For O.C. & Resident
RWH
26.2

submitted

AS.
2/3/03

RWH
3.3
Res.

WH 3/3

I approve of the proposal [illegible] A-Lahai
[illegible] 21 instead of 31 [illegible]

19

Resident.

Kindly peruse the note overleaf please see revised page 6. of draft. The argument I think now follows straight through:— It is unnecessary to give reason for having declared this liquor to be foreign spirit that may now issue.

Rushbrook
6.3.

OC 6/3/15

Home No: 123 & 9 10.3.15

Sp
18

20

RESIDENT'S OFFICE.

Office Note.

F 253/1901 S 19

No. 2112 9/A of the 8th May 1903 from the Govt. of India, Foreign Dept.

The petitioners may be informed of the views of the Govt. of India. Their suggestions submitted for approval.

RE. 14/5/03

AHS 19/5/03

Satisfactory. Memo. may issue merely saying memorial has been rejected

I think I recollect some ref^ce from Collector proposing some remission of these arrears as being impossible to collect. If so this shd. now be put up for orders —

RHC 17/5 Res^t —

Submitted with F 335/1902

20.

Issued No. 2072 of 22.5.03

File N. 253
1907

R. P. B.—11-1903.—1,000.

21

RESIDENT'S OFFICE

Office Note.

D. 21.

Petition without date (received on the 3rd October 1903) from Seebaruya Chetty & certain others in the Salem District -

With the above, a memorial is forwarded to the address of the Secretary of State for India against the orders of the Govt of India as conveyed in Foreign Dept letter

D. 19 No. 2112. I. & of the 8th May 1903.

2 No new argument has been advanced in the present memorial & the grounds set forth in paragraphs 2 & 3 of the memorial were fully commented upon in

Sl. 18 this office letter of 10th March 1903 to the Foreign Dept especially in paragraphs 4 & 5 of that letter

The representation appears to be withheld under the discretionary

power

former vested by clause XII of the rules relating to the submission of memorials to the Secretary of State. The heavy sheet of the memorial as well as the accompaniments have not been properly authenticated as required by clause VIII since they do not bear the signature of all the memorialists, but perhaps this is too small a matter to require the return of the memorial to the petitioners.

A 32 R. Pie 508/185

They do bear the signature of one memorialist.
R.W.H. 11.12

4. If approved, the memorial might be forwarded for the order of the Govt. of India with a remark that the arguments contained in the memorial were fully gone into in this office letter of the 10th March 1903 & that Resr has no further remarks to offer.

H.J.
5/12/03

A.S
7/12/03

R.W.H. 11.12

J.B. Rees
11/12

Note is submitted for approval.

H.J.
12/12/03

A.S. 12/12/03

R.W.H. 12.12

(Continuation of Note or Precis).

Fair submitted below for favour of Registrar's signature.

15.XII.03

15/12/03

Done

15/12

2.22 Issued No. 6175 dated 16-12-03

RESIDENT'S OFFICE, BANGALORE.
Register No. V 3317
Date of Receipt 24/5/07
File No. 253/61

Rs. 2 0 0-0-0
25-5-07
TWO

To collect in person

25/V/07

To
His Honorable the Hon'ble Resident in Mysore
Civil and Military Station
Bangalore

The humble petition of the undersigned most respectfully showeth:-

That they are the arrack-shop licensees of all the 20 shops of the Civil and Military Station Bangalore

2 That as per conditions of the license they purchase spirits from the Government Excise Depôt at the rate of 6 annas 4 pies per gallon of 20 U P and 5 annas 7 pies per gallon of 30 U P and of Cauvery Nickies 4-12-6 per gallon of 20 U P and of Cauvery 4-2-6 per gallon of 30 U P

4/Cn

3 That these arrack shops were purchased last year for Rs. 2 crs. and odd and this year the same arrack shops have brought by your petitioners Rs. 1 crore and odd Rupees 20000/- as against that of last year

4. That your petitioners in their retail arrack shops for such purchase price as they were made to pay as declared by the Collector at the time of purchase that they were Empowered to sell them at not higher than 2 annas per dram and that 2 annas was the minimum rate

5. That besides the successive price they paid for the retail arrack shops they pay a license fees of Rt 180/- on each arrack shop and pay charges of annas 4 per gallon on sales over 55 gallons a month in each shop.

6. That notwithstanding these heavy charges they undertook the work in the hope that under the rules in force arrack would be sold only in your petitioners arrack shops.

7. That to their considerable disappointment your petitioners find that the licensee holders of the Refreshment Rooms in the Civil and Military Station Bungalow who purchased them at Rt 13,000/- ie at a sum of Rt 6000/- less than the last year's purchase price sell Colored arrack of 20° U.P. at 2 annas per dram.

8. That these licensees of Refreshment Rooms have the privilege of selling foreign liquors including wine brandy whisky beer &c and in the term foreign liquor are unfortunately included colored or flavored spirits manufactured in the Country.

9. That under pretence of colored or flavored spirits manufactured in the country they sell arrack of 20° U.P. only adding a little burnt-sugar to give arrack a certain color - a thing which they cannot do

do as there can be no degrees ~~of~~ marked for foreign liquors.

10. That these licensees of Refreshment Rooms who pay only Rs 100/ a year as license fees and pay no pur charges whatever, sell arrack of 25° U.P. at 2 annas a dram which your petitioners had purchased the license to sell.

11. That your petitioners owing to the heavy charges they have paid cannot compete with the Refreshment Room licensees by selling arrack 25° U.P at the same price.

12. That your petitioners are therefore put to heavy losses every day owing to the competition of Refreshment Room licensees, the terms of whose license empower them to sell ~~only~~ foreign liquors.

13. That these Refreshment Room licensees have adopted the prescribed measure of the arrack shop keepers and vend nothing else but arrack which they sell colored as such measures.

14. That owing to the artifice on the part of the Refreshment Room license holders it is perfectly impossible for your petitioners to vend arrack of 25 U.P. at 2 annas per dram and that they are therefore thus compelled to sell arrack of 25° U.P at that rate

15. That on that account there is an almost wholesale falling off of sale of arrack in ymr petitioners arrack shops and the result is a considerable loss of nearly 2000/- Rs a month by ymr petitioners and a heavy loss to the Government.

16 Ymr Petitioners most humbly and respectfully pray that these Refreshment Room licence holders who are privileged only to sell foreign liquors may not be permitted to sell arrack in the shape of Colored arrack of 20° and 30° U. P.

17. Ymr petitioners humbly beg to represent that they would find it impossible to pay the Rist to the Government if no reprieve is effected - and under such circumstances, ymr petitioners are prepared to buy the 13 Refreshment Rooms for the full value or are prepared to sell their own twenty arrack shops to the Refreshment Room licensees.

18. Ymr Petitioners, therefore, humbly pray that the arrack shop licence holders may be solely empowered to sell arrack of 20° and 30° U.P. and that no one else may be permitted to do so.

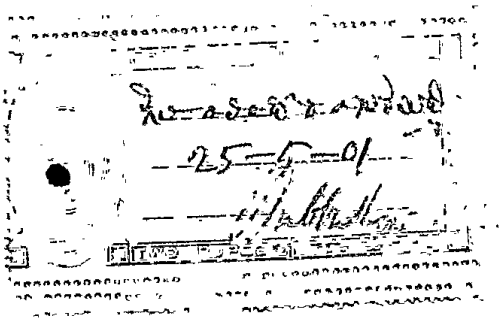
19. Ymr Petitioners beg to draw ymr Honors attention to para 23 of the notification.

notification no 1066 dated 28th February 1907 by which your Honor may make any additional rules in this respect if necessary so as to prevent loss to your petitioners and to the Government.

20 Your petitioners beg to inform your Honor that they had preferred a petition to the Excise Superintendent as well as to the Collector on the subject but they found no redress. Your Petitioners, therefore, approach your Honor with the hope of this petition meeting with a favorable consideration at your hands.

Tanjore
25.5.1907

Yr. Obedient servts
M Venkatachella Mudr



IN THE COURT OF the Honorable the British Resident in Mysore, Cantonment, Bangalore

This Petition No OF 1901.

1. M. V. Seshia Chetty
2. K. Adia Chetty
3. M. Govindarayan Moodr
4. M. Venkata chella Moodr
+ 3 others

Petitioners

Know all Men by these present that We the petitioners above named

do hereby authorize and appoint J. P. SALDANHA B. A., L. L. B. ESQ., Gentleman an Advocate to be our true and lawful Attorney to appear in the above named Residy Court and represent us as Petitioners in the above named matter and file all petitions, exhibits or other documents whatsoever in connection therewith, and also to apply for and receive from the said Court all such documents or copies of documents as he may deem necessary, and to apply for and issue all summonses, commissions or other writs or processes as may be needed or he may deem requisite, and to apply for and issue attachment and execution under any decree or other order that may be made in the said matter — and to prosecute or defend any proceedings that may arise thereout, and to apply for and receive payment of all or any sums of money that may be decreed or awarded either as principal money, for costs, or otherwise, and to appear in and before the Judge or Judges or presiding officer of the said Court and to plead on our behalf in any matter touching or concerning the said matter, suit or application, or any proceeding in connection therewith, from time to time to set and appoint a substitute or substitutes, and with power to revoke such appointment or appointments, and generally to appear plead and act in all respects whether herein specified or not as may to our said Attorney or his substitutes seem proper or expedient. And we —— hereby ratify and confirm all and singular that our — said Attorney or his substitute or substitutes shall lawfully do or procure to be done in and respecting the premises acknowledging the same to be done as fully and effectually as if we were personally present.

In Witness whereof we —— have hereunto set our hands this twenty fifth day of May in the Christian year 1901.

Signed before me
Accepted. J. P. Saldanha

M. Gaviendarajan Moodr
M. Venkatachella Moodr

V. D. Press Bangalore—1899

RESIDENT'S OFFICE.

Serial No. 2
File No. 253 '01

[DRAFT.]—For approval.

No. 2709 Em

Dated 31st May 1901.

To

Memorandum

+ S.N.1

Return requested

No 917
27th May 1901

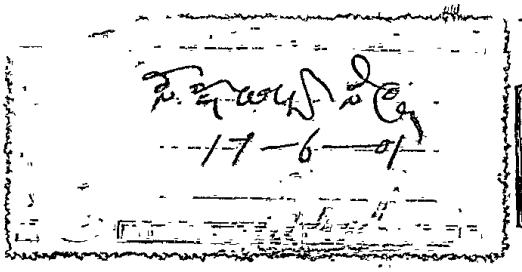
The accompanying petition dated the 25th May 1901 from Mr. Govindasamy Moodly and other licensee holders of Cutter Ships in the Colombo Harbour is forwarded to the Collector, Colombo, for enquiry and careful report from early report.

29.5.

First Asst. Resident

AJ. 28/5/01 AS 28/5 Hone 31/5

I am told that Govt. loses a lot over the practices complained of. JdL



RESIDENT'S OFFICE, BANGALORE.
Register No. 3776
Date of Receipt 17/6/01
File No. 253/1777

To

THE HONORABLE THE BRITISH RESIDENT,

OF MYSORE.

The Petition of M. V. Seshaya shetty and others Arrack Shop contractors for the year 1901 and 1902.

Respectfully Sheweth,

Your Petitioners are contractors for the sale of arrack, in the whole of the 20 Shops of the C and M Station of Bangalore, sold under Government notification No. 994 of the 26th February last.

B. 4. file 30. '01

2. The total amount for which the above shops had been sold in the previous year, was Rs 53,000. On the express understanding that they may sell arrack in their shops at a higher rate than the minimum rate of 2 annas a dram, they raised the bid and purchased the said shops for Rs 71,000, thereby benefiting Government by Rs 18,000 in this item alone.

3. In addition to the above, Petitioners have to pay :—

1.	Price of spirits of	20° U P	per gallon	0— 6—4
2.	Do	30° U P	Do	0— 5—7
3.	Duty to Government on	20° U P	Do	4—12—0
4.	Do	30° U P	Do	4— 2—6
5.	Registration fee on each shop			180— 0—0
6.	On sales *exceeding* 55 gallons per month in each shop on each gallon			0— 4—0

4. Petitioners have undertaken all these burdens, *in the belief*, that they were to be the exclusive sellers of arrack in the station.

5. Petitioners *find*, to their utter disappointment and disgust, that they have *others* who undersell, *under subterfuge*, the same stuff, to wit 20° U P arrack in their 13 shops, kept under the style and name, of "Foreign refreshment rooms or Taverns."

6. These shops have been purchased by them for Rs 13,000 which sum in itself, is less by Rs 6000, than that realized last year. They pay a Registration fee of Rs. 100 on each of their shops.

7. It may be noted, that whilst paying *only* the *same* duty of 4—12—0 per gallon 20° U P, they *do not* pay the four annas (Surcharges) on every gallon sold, in each shop, over and above 55 gallons.

8. Thus it would be seen, how it is that these 13 Taverns are able to under sell petitioners, who happen to be excessively handicapped and weighted.

9. The subterfuge they practice, is by clearing *20° U P arrack* slightly colored with burnt onion, sugar &c or some such stuff, paying *the same* price and duty as Petitioners and selling *in retail* the same as *superior* Whiskey, Brandy or Rum. It may be here mentioned that they even went so far, as to proclaim by beat of *tom tom*, that they sold superior "Sarayam" spirits or arrack at 2 annas per dram. They were even getting the stuff from the Distillery in bulk in jars and sold it in retail from the same. But this last mentioned has now been put a stop to.

10. The result of all this, soon showed itself. The sales in Petitioners' arrack shops in April last fell to 2,600 gallons whereas those in the previous year amounted to 5,200 gallons thereby inflicting a heavy loss both to Petitioners' and to Government.

10. The loss to Government may be summarized thus :—

Actual sales in arrack shops during last year being 64,030 and odd gallons.

		Rs.
Duty at 4—12—0 per gallon		3,04,000
Do 0— 4—0 per gallon of sur charges	...	12,400
Total	...	3,16,400

If only half of this quantity were sold then it follows that Government must and will lose, Rs. 1,58,200 or thereabout. Petitioners beg to submit that your honor could easily verify the same from Government accounts of April last.

11. Any sales in excess in Taverns. as a matter of fact. do not recoup the loss to any extent.

12. Petitioners have *actually* lost in the two months over Rs. 3,500 in cash whereas they ought to have had as much in profit. If the present state of affairs should be continued, Petitioners then will be completely ruined.

13. The important points involved in this matter are :—

(*a*). Whether the Tavern keepers are entitled to keep and *sell ordinary* country made arrack 20° U P, as *foreign* liquor by merely coloring the same by admixture of coloring matter,

(*b*) Whether Government ought not to realize the *proper and enhanced Tariff* on such spirits as are *imported* into the C and M station under the name and style of *Whiskey, Brandy,* and *Rum* and which *though made in this country,* yet by the addition and admixture of essences &c. *have been altered to represent the above.*

(*c*) Whether Government should not realize from these infringers of rules if they be found to be such, all the loss to itself and to Petitioners.

(*d*) What remedy and remedies are to be adopted.

14 With reference to the first point, viz (a). See condition (2) page 2 of the printed Government notification No. 1066 of the 28th February last. "Foreign Liquor" is *defined*, (in so far as it relates to the present matter) as being, "all coloured or flavoured spirits manufactured in the country *excised* at the *tariff rates of import duty*, but *does not include* ordinary arrack manufactured in the country *excised at tariff rates.*"

15. Under sec: 5 of Tariff Act No VIII of 1894, these spirits Whiskey, Gin and Rum, have to pay duty under schedule III of the same. They come under the head of "Spirit, perfumed, in Wood or in Bottles." That the word *perfumed* here is not used in the ordinary sense of *sweet smelling*, is apparent from the fact, that there is no other head in the schedule, under which the spirits of these names come. *These are Tariffed at Rs 8 per gallon.* Whereas, "spirits other sorts" tariffed at Rs 6 per gallon is meant for arrack pure and simple.

16. As a matter of fact Government has been collecting either by mistake, oversight or misconception duty at the latter rate on the said "Superior Whiskey, Brandy, Gin and Rum.

17. It may also be stated, that the sentence "all colored or flavoured spirits manufactured in the country," *does not* necessarily or gramatically mean, all spirits manufactured in the country, *colored* and *flavoured.* The former implies that the color and flavour is obtained in the *manufacture or distillation*, and the latter by *admixture* or *adulteration.*

18. Thus, it will be seen, that the country made stuff under the names whiskey, brandy, gin and rum, which the Tavern keepers sell, are not what could be properly termed "*Foreign Liquor*," in as much as.

(*a*) They are ordinary arrack, manufactured in the country, expressly exempted from the name, in condition 2 of the Government Notification referred to in para 14 foregoing.

(*b*) They have paid duty *as arrack* and *not* as "whiskey, brandy &c. *as specially required for the same said condition* which expressly provide that they should have been excised "at the tariff rate of import duty.

(*c*) They are not genuine articles manufactured, but are *spurious adulterated arrack* under a false guise and name a deliberate fraud upon the public.

19. Petitioners submit, that they understand and believe, that Distillers had been allowed to manipulate *double-distilled, rectified* spirits of superior strength and quality into foreign liquor but in the present distillery, *there is no arrangement*, for and as a matter of fact they do not, either double distill or rectify spirits. The Licenced Distilling company agents, are apparently allowed to manipulate arrack into foreign liquors and pass them out at arrack prices and at arrack tariff duty.

20. Under these circumstances, Petitioners submit that the Tavern keepers have no right to sell these in their Taverns.

21. As regards the second point (b) of para 13 foregoing, it does not want any lengthy argument to show that Government should charge the proper duty of Rs 8 per gallon as provided for by the Schedule of the Tariff Act.

22. By so doing, Government will not only benefit largely but will afford substantial relief to Petitioners by making it impossible, to the Tavern Keepers to undersell Arrack under false guise.

23. As regards the third point (c) of 13 foregoing Government is certainly entitled to look into and examine accounts and recover all the duty lost by it. Under condition 16 Licensees are bound to keep correct accounts and both the Distellers and Tavern keepers may be directed to produce them for examination.

24. Petetioners beg respectfully to submit that if the following directions were made, existing affairs will to a great extent be remedied.

(a) That Distellers should be prevented from manipulating the *ordinary Arrack* viz. 20º U. P. and 30º U. P. into so called "Foreign liquor." That a standard of double distilled and rectified 10º U. P. alone should be so treated.

(b) That on all so called "Foreign liquor" proper and full duty under the Tariff Act be levied.

(c) No wholesale and bottling licences be given to either *distillers* or to any persons *connected directly or indirectly* with Taverns.

(d) That strict watch be kept, that Arrack 20º U P and 30º U P is not brought under false guise from Distilleries outside the Province as is being now done by Runge Goweden ; such liquors as are introduced, ought to be satisfactorily shown to have paid the proper duty.

25. Petitioners are in a position to show that the Agents of the distillery up to lately been selling *in premises* within the C. and M. Station the so called "Foreign liquor" wholesale without a license.

26. Petitioners also submit, that Runge Gowden who has two Taverns, has been importing from his Aravanghet or other distillaries in the Coimbattore District, Spirits in Casks, and selling them in his Taverns and to others, though he had not and to this day has not a wholesale or bottling license. He has by his Acts inflicted great loss both to Government and Petitioners.

27. Petitioners who have been incurring great loss already, petitioned both the Collector and Your Honor and before the matter was disposed of, they were peremptorily required to and paid up all demands to the end of last month. They are daily incurring loss and therefore they take the liberty of again approaching you, and humbly and earnestly pray for Your Honors Sympathetic Consideration.

We beg to remain, Honored
Sir,
Your most Obedient and
Humble Servants.

Bangalore 17th June 1901.

Chabapathi Iyah
Pet: Counsel.

Boz Goweden Bros

4

No. 1626 Enclosure

OFFICE OF THE COLLECTOR,
CIVIL AND MILITARY STATION, BANGALORE.

Dated 17½ June 1901.

E

FROM

L. T. HARRIS ESQ., I. C. S.,
COLLECTOR,
CIVIL AND MILITARY STATION,
BANGALORE.

LG
15

RESIDENT'S OFFICE, BANGALORE.
Register No. V3812/01
Date of Receipt 19/6/01
File No. 253/01

To

THE FIRST ASSISTANT TO THE HONOURABLE THE RESIDENT
IN MYSORE.

SIR,

With reference to your Memorandum No. 2709 dated 31st May 1901 forwarding for report a petition dated the 25th May 1901 addressed to the Hon'ble the Resident by M. Govindaraja Mudaliar and other license holders of arrack shops in the Station, I have the honor to state that a similar petition was submitted to me by the petitioners on 12th May 1901, and, after consulting the Excise Superintendent, Mr Hinde, they were given the following

endorsement

A.M.2

x

herewith returned.

Endorsement No. 1356 dated 16th May 1901:- "
Petitioners grievances have been redressed in
so far as this was possible: it now remains
for them to confix their prices that they may
not be undersold by other Shops."

2. The facts set forth in their present
petition are mainly correct; there can be no
doubt that the refreshment room licensees
have taken advantage of their concessions
regarding foreign liquor, and of the high
prices charged by the arrack shop keepers,
to push the sale of what, though technically
foreign liquor is, to all intents and purposes
but slightly colored and flavored arrack:
they even went so far as to alter their
shops to resemble arrack shops, and to keep
their 'foreign liquor' in jars resembling those
in

in which arrack is kept, apparently with a view to attracting the arrack drinking public: these two (above-mentioned) dodges have been suppressed, but the fact still remains that they are selling 'foreign liquor' at a lower price than that for which the arrack licensees can sell arrack, considering the price they pay for

profitably their shops is

3 In so far as the refreshment-room licensees were acting illegally, they have been restrained: while the definition of foreign liquor remains unchanged and while 'foreign liquor' is sold in the refreshment rooms the arrack licensees must keep their price to 2 annas a dram, or inevitably lose They have brought this on themselves and have no grievance against Government.

Government,

Government, however, is considerably the loser by this falling off in arrack consumption, and has therefore its own interests to protect, in as much as although there is no appreciable difference in duty per gallon between arrack and foreign liquor, there is the loss of the excess fees (4 annas a gallon on Sales of more than 55 gallons a month) which are charged in arrack shops but not in refreshment rooms: there is also loss in that arrack Consumers are frequenting arrack shops in the City.

I have the honour to be,

Sir,

Your most obedient Servant

L. Brown

Collector

15th

RESIDENT'S OFFICE.

Serial No.
File No. 253
101

[DRAFT.]—For approval.
No. 3144. Gen.
Dated 29 June 1901

To

From C. A. S. Russell Esqre. I.C.S.
First Asstt Resident

To

The Collector, & ex Station
of Vizagapatam

Sir,

I am directed to forward herewith a petition dated the 17th June 1901 from M. V. Seshagiri Shetty & other arrack license holders in the ex Station of Vizagapatam for the year 1901-1902, & to ask you to favour the Offg Resident with a full report on all the points raised in the petition.

2

LQ
29.6

* Return requested

A No. 3
M 3777

2 I am to enquire in particular, how far the sales in the foreign liquor taverns recoup the loss sustained by reduced sales in the arrack shops. It should also be stated whether in your opinion the tavern keepers are under the terms of their licenses strictly entitled to sell the coloured liquor closely resembling arrack which they are now understood to be vending, & whether it is a fact that the liquor which they thus sell is excised at the rate of Rs 6/- per gallon & whether you consider that this is the proper rate at which it should be excised.

(Continuation of Draft).

3. With reference to the concluding words of paragraph 2 of your letter N. 1636 dated the 17th June 1901, I am to ask you to be so good as to give the details of the calculation which lead you to believe that the attack ship holders are unable to sell at two annas per drum without incurring loss - I am also to enquire how many drums go to the gallon according to the measure in general use.

S N. 4

I have, etc,

(sd) L Russell

First Asst Resident

A.S.
28/2/01

29/6/01

No. 1959 Encls 2

OFFICE OF THE COLLECTOR,
CIVIL AND MILITARY STATION, BANGALORE.

Dated 25th July 1901.

From

L. T. HARRIS ESQ., I. C. S.,
COLLECTOR,
CIVIL AND MILITARY STATION,
BANGALORE.

To

C. L. S. Russell Esqre I.C.S.,
FIRST ASSISTANT TO THE HONOURABLE THE RESIDENT
IN MYSORE.

RESIDENT'S OFFICE, BANGALORE.
Register No. V 4423
Date of Receipt 29/7/01
File No. 25301

SIR,

I have the honour to report upon the petition forwarded with your No. 3144 of 29th June 1901.

2. Petitioners' main complaint is against the Spirit imported into the Civil and Military Station from Messrs Parry and Co's Distillery, and designated Superior Brandy. Whisky, Gin and Rum respectively. Their allegations are that this Spirit (1) is not duly excised and (2) is not double distilled, and that it should not therefore be classed as

as foreign liquor

3. In Resident's Notification No. 5707 527 $\frac{13}{87}$

dated 23rd December 1891 it was decided that double distilled arrack not below 20° UP manufactured in the Distillery at Bangalore, and excised at the full rates of duty chargable thereon shall be deemed to be foreign Spirits' It was further decided that such liquor shall be excised at Rs 5-15-0 proof, which proportionately calculated, corresponds to Rs 4-12-0 for 20 UP. Consequently, should the aforesaid Superior brandy, etc be held to be prepared from 'double distilled arrack not below 20 UP. manufactured at the Distillery at Bangalore, and excised at 4-12-0 for 20 UP, it must be admitted as foreign liquor

and

and the sale in the refreshment rooms is quite legitimate.

4. That it is excised at 4-12-0 for 20 W.P. is an indisputable fact the theory set forth in para 15 of the petition under reply is so positively incorrect that it can only be regarded as an index to the weakness of petitioners' case. Ordinary spirits such as whisky etc are tariffed on import into India as 'Spirits other sorts' under Schedule III of Act VIII of 1894 the Tariff rate is therefore Rs 6/ proof, as against the Rs 5-15-0 which has been fixed as the special rate at which the Special Bangalore Distillery Liquor is exciseable

At

At 20 mp this would be £ 4-12-9, so that, were it not for this Special agreement, there would be a difference of only 9 pies per gallon

The liquor in question is therefore assessed at the full rate of duty chargeable thereon.

5. With a view to deciding whether it can justly be called "double distilled", I have visited the Distillery and have been shown the process by which the liquor is prepared.

The term 'double distilled' is not so far as I know, defined in any act or notification of government, and it is necessary therefore to decide upon its precise meaning. It apparently originated at the time when

in order to rectify the result of the first distillation, it was necessary to pass it again through the Still. Double-distillation was therefore another term for the rectifying of Spirit. With the development of the industry, however, it was found possible to combine the two processes, and this is very clearly exemplified in "Coffey's Still" which I have seen working at the Bangalore Distillery: this Still combines a Separator with a rectifier — the former separates the arrack from the Sugar mixture from which it is prepared, while the latter rather more than double-distills it. This rectified arrack, if meant for the preparation of foreign

'foreign liquor is separately drawn from the 'Coffey Still' after being rectified to 53 O.P., under the Supervision of a resident Officer of the Mysore Excise Department. This liquor is recognised by the Durbar as double-distilled, as will be seen from the following order of the Excise Commissioner — No 6046 / 15.2.99, 'Spirit separately drawn off from the Rectifier of the Coffey' Still, and which is of a strength of 50 O.P. and upwards, may be considered rectified as being equal to double-distilled'

This liquor after being drawn off, is kept at 53 O.P. under the lock of the Durbar's Excise Officer and it is from this only that

The

the Brandy etc is prepared by the addition of certain colouring and flavouring essences.

Under Residents Notification above

S 27 Feb 13/87 . Proceds 5707/23-12-95 I can see no possible objection to the import and sale of this as 'foreign liquor'

6. From the above remarks it will be observed that much of the petition is misleading, while some (notably para 19) is deliberately false

7. As regards their allegations of malpractices on the part of Ranjit Powder I would request that petitioners may be directed to lay information at once with full details either before myself, or before the Superintendent of

of precise.

8. As regards your enquiry at the Commencement of para 2 of your letter under reply, the total loss from arrack, during the months of April and May last was Rs 26,150-4-3, while the total gain from foreign liquor, was Rs 4,792-15-3 The nett loss was therefore Rs 21,365-5-0.

For the special kind in question exact figures are not available

It must be remembered however that this loss is being distributed in the shape of gain under other heads both here and at other Centres where duty on foreign liquor is levied there is also a resulting gain in beer revenue and the Toddy Sales are effected

With

With the exception therefore of that extra arrack consumption which is being driven into the surrounding Mysore Territory (and this I learn is considerable) there is no appreciable loss to Imperial Revenue though local Excise Revenue is largely suffering

9. I enclose a calculation drawn up by the Excise Superintendent which shows the grounds for my statement that selling at 2 annas a dram, Pettiners must inevitably lose money: — by attempting to sell at 2 annas 4 pies a dram they are losing very much more. Since they have

track cally

practically prohibited consumption.

10. As regards the remedy for the present state of affairs it seems to me to lie in recognising that while Petitioners have nothing but their own stupidity to blame for their losses, the interests of Government are so wrapped up with those of the contractors that steps should be taken to coax back the arrack consumer to his former haunt: with this view we must enable the Contractor to sell at 2 annas a dram by a proportionate reduction in his Khists for the future on the condition that he sells

at

at Lannas In respect of the past he deserves no remission and has not the slightest claim to any such consideration

I have the honour to be,

Sir

Your most obedient Servant,

[signature]

Collector

[signature]

Statement showing probable financial results to licensees of arrack shops in the Civil and Military Station if arrack 25° up is sold this year at 2 annas per dram.

Period	Consumption in gallons	Average consumption as worked out from columns 1 & 2 (estimated for this year)	To be paid at Depot on average estimated consumption: Duty at Rs 4-12-0 per gallon of 25° u.p.	Excess duty at 4 annas per gallon on sales over 5% gallons a month in each shop.	Price at Rs 0-6-4 per gallon	Other amounts that will have to be paid by licensees: Khirak for this year	Registration fees	Working expenses at Rs 11/- per mensem per shop	Total expenditure	Amount that will be realized by sale in shops at 2 annas per dram (at 57 drams per gallon) or Rs 6-6-0 per gallon on the estimated consumption	Differences between Columns 10 & 11	Remarks.
1	2	3	4	5	6	7	8	9	10	11	12	13
	gallons (of 57 drams)	gallons										
1899-1900	69891											
	65,787		342488 4 -	13146 12 -	26040 11 -	71380 - -	3600 - -	2400 - -	429055 11 -	419392 2 -	9663 9	The figures in column 12 will be the actual loss the renters will sustain if they sell 25° up arrack at 2 annas a dram (i.e Rs 6-6-0 per gallon of 57 drams) as calculated from the estimated consumption based on the 2 previous years' figures. If they could sell this amount viz 65,787 gallons at 2 annas per dram they would [illegible] realize a profit
1900-1901	61884											
				087	2170		30	200	45[illegible]97 / 26179	34949	5,152	

RESIDENT'S OFFICE.

7

Dated 14 August 1901. No. 4011.

[DRAFT.]—For approval.

From

C. L. V. Russell Esq. I.C.S.
F. A. R.

To The Collector & R. Statistician
Bangalore

L.R.
13/8

S. No 6 & 6.

Sir,

With reference to your letters Nos 1636 & 1959 of (1) June & 25th July 1901, respectively, reporting on the petitions of certain arrack shops contractors of the C. & R. district, I am directed to request that you will inform the petitioners that their claim that the locally manufactured foreign liquor should be issued at the rate of Rs 8 per gallon appears entirely untenable and that the competition which has arisen

O.T.O.

(*Continuation of Draft*).

being entirely the result of
their own action in enhancing
the retail price. The Govt. does
not wish to assist them

I have &c

(Signed) L. Russell

12/8/11 Irish Secretary

6

ಪಟ್ಟಿ 253
1901

TO

THE HONORABLE THE BRITISH RESIDENT IN MYSORE

BANGALORE

The Petition of M. V. SESHAYYA CHETTY and others Arrack Shop Contractors, Civil & Military Station, for the Year 1901—02.

MOST RESPECTFULLY SHEWETH,

1. That your humble petitioners are the Contractors for the sale of Arrack in the whole of the 20 shops of the Station, sold under Government notification No. 994 Dated 26th February 1901. 54

2. In the previous year 1900—01 these shops had been sold for Rs. 53,000. The petitioners were informed by the authorities at the time of auction that they may sell Arrack in their shops at a higher rate than the minimum of 2 annas a Dram. On this express understanding, your humble petitioners raised the bid to Rs. 71.000, thus benefitting Government to the extent of Rs. 18,000.

3. In addition to the above, the petitioners have to pay:—

1.	Price of spirits 20° U. P. per gallon	Rs. 0—6—4
2.	do 30° U. P. do ...	0—5—7
3.	Duty to Government on 20° U. P. per gallon	4—12—0
4.	do 30° U. P. per gallon	4—2—6
5.	Registration fee on each shop	180—0—0
6.	On sales exceeding 55 gallons per month in each shop on each gallon	0—4—0

Petitioners undertook all these burdens in the belief that they were to be the exclusive sellers of Arrack in the Station. But they find, to their utter disappointment that the Contractors of Refreshment Rooms also sell under subterfuge, 20° U. P. Arrack in their 13 shops, these 13 shops have been purchased by them for Rs. 13,000 or Rs. 6,000 less than the amount realized for them to year previous. Moreover the Registration fee paid by them on each shop is Rs. 80 less than what your petitioners pay for the same. They do not pay any surcharges on every gallon sold in each shop, over and above 55 gallons.

5. Further, the Refreshment Room keepers conduct sales in their shops on pials or raised ground, keeping foreign Liquors in jars of the same kind used in Arrack shops, thereby misleading purchasers to take foreign Liquor instead of Arrack.

6. Owing to the above causes, the petitioners found the sale of Arrack in their shops going down. They petitioned the Excise Superintendent and the Collector, Civil and Military Station. These Officers, on one enquiry, directed the Refreshment Room Contractors to remove the pials and the Jars and to sell Liquors on tables and in bottles as per Rules in force. The Mysore State also, on a representation from the petitioners, discontinued issuing Arrack, styled foreign Liquor, in Jars. But all this continued for a short time soon after, the old practice of selling Liquor in Jars & on pials was revived thereby causing heavy loss to your petitioners.

7. Under Residents Notification No. 5107 Dated 23rd December 1895, Double Distilled Arrack not below 20° U. P. manufactured in the Distillery at Bangalore and Excised at full rates of duty chargeable thereon is deemed to be foreign spirit. Such Liquor excised at Rs. 5—15—0 proof proportion calculated corresponds to Rs. 4—12—0 for 20° U. P. Accordingly, Brands prepared from such Arrack and charged with the same duty cannot be deemed foreign spirit. The Arrack supplied to the Civil and Military Station Refreshment Rooms is not double distilled. It is drawn off from the rectifier of coffey's process and has been so far as the Mysore State is concerned, deemed, under Notification No. 6046 Dated 15th February 1899 to be equal to the double distilled. In the absance of a similar Notification for the station, the Arrack could not be regarded as double distilled, so as to fall within the provision of Resident's Notification No. 5107 Dated 23rd December 1895. Consequently it could not be regarded as foreign Liquor and therefore its sale, the petitioners beg to submit should not have been allowed in Refreshment Rooms.

8. Foreign Liquor Vendors are entitled under the terms of their license to sell colored or flavored spirit manufactured in the country and Excised at Tariff rates, but the Liquor obtained by the vendors from Messrs Parry & Co., are actually excised at Rs. 5—15—0 (a gallon proof) and therefore this Liquor could not be deemed foreign Liquor.

9. From the fore going it will be seen that the Contractors of the Refreshment Rooms enjoy many advantages over your petitioners. They sell, in addition to the various so called foreign Liquors, Arrack along with your petitioners. In this competition opposed as it is to the rules in force, your petitioners have suffered heavy loss at the rate of Rs. 1,500 a month, or Rs. 18,000 a year. The prevalence of Plague, the absence of troops from the Station; and above all the underselling of the Refreshment Room Contractors have contributed to the ruin of your petitioners.

10. Petitioners are tradesmen & merchants, Your Honor's loyal subjects and what little money they had has all been absorbed and they are, most of them, involved in debts which they have lead to contract paying heavy interest owing to the great pressure, every month, brougt to bear upon them by the Excise Officers.

11. Unless your Honor sympathetically help them in their present state of distress most of the Petitioners will be all completely ruined.

12. In consideration of the foregoing reasons, the petitioners beg your Honor will be pleased to help them in making a remission, at least, of the amount of kist that has to be paid for the remaining two months and direct the return of petitioners' bonds which have been deposited at the beginning of their contract.

For which act of mercy and justice shall ever pray.

Most Respected Sir,

M. V. Seshayya Chetty.
K. Adayya Chetty.
H. Subbarayya Chetty.
M. Venkatachalla Moodr.
M. Govindaraj Moodr.
M. Seeniah Chetty.

BANGALORE,
26th FEBRUARY 1902.

V. D. Press, Bangalore—1902.

Very Urgent

(Continuation of Draft) for Approval.

No. 4
Dated 21-2-02.

9

From

C. L. S Russell Esquire I.C.S
1st assistant Resident

To

L. T. Harris Esqre I.C.S.
Collector, C & M station.

20
20

Sir,

D N 8

I am directed to forward the accompanying petition dated the 15th February 1902 received from M. V. Seshayya Chetty & others, Arrack shop Contractors of the Civil and Military station of Bangalore and to ask you that you will, in personal communication with Mr Hinde and after having visited some of the Shops alluded to in

the petition, kindly submit a full report ~~to~~ so that it may reach the ~~Honble Col:~~ Resident ~~D Robertson~~ before you proceed on leave.

I have, etc

1st Assistant Resident

P12/28/r

RESIDENT'S OFFICE, BANGALORE.
Register No. 1279
Date of Receipt 4-3-02
File No. 253/01

10

TO

THE HONORABLE THE BRITISH RESIDENT

IN MYSORE

BANGALORE.

The undersigned Petitioners beg to submit that they have forwarded a petition to your Honor on the 17th February 1902 representing their circumstances and loss in the contract of Arrack shops of the Civil and Military Station, Bangalore which they purchased in the auction.

S. 8

As the said petition was found, subsequently, to contain some printing mistakes, they have herewith submitted an amended petition for your Honor's kind perusal and favourable orders.

And your Petitioners shall ever pray.

26th February 1902
Bangalore

No. 495

OFFICE OF THE COLLECTOR,
CIVIL AND MILITARY STATION, BANGALORE.

Dated 3rd March 1902.

FROM

L. T. HARRIS ESQ., I. C. S.,
COLLECTOR,
CIVIL AND MILITARY STATION,
BANGALORE.

RESIDENT'S OFFICE, BANGALORE.
Register No. 1278.
Date of Receipt 4-3-02
File No. 253/01

TO F. L. S. Russell Esq.,
~~THE FIRST~~ ASSISTANT TO THE HONOURABLE THE RESIDENT
IN MYSORE.

SIR,

I have the honor to reply to your
R 9 C No 4 dated the 21st February 1902, forwarding
for my report a petition from M. V. Seshayya
Chetty and other arrack contractors.

2. Paras 1. 2. 3. 4. 7. 8 and 9 have been
already fully reported upon by me in my letter
St. 6 No. 1959 dated 25th July 1901 I have nothing
to add to the facts and opinions therein
stated regarding the Claims of the Contractors.

3. As regards the paras 5 and 6 of
the

the petition, the assertion that liquor is sold
or meals in the Refreshment Rooms is false:
I have satisfied myself of this by personal
inspection and by reports from the excise
officers.

It is true that the liquor objected
to is sold in jars but as these are the
same receptacles in which it ~~was~~ is issued
from the Distillery with the sanction of the Mysore
Excise Commissioner, the Collector cannot
prevent it: the jars bear labels describing
the contents as "Superior Rum" etc
4. Nothing can now be done for
Petitioners of a remedial nature, and it
remains to be decided whether the Resident
is disposed to grant any remission.

Sir

In this respect I would remark that owing to the wrong headed conduct of these arrack Contractors there has been a great fall in the arrack Revenue of the Station certain of them have been detected in fraudulent breaches of their Contracts, and all of them have given the greatest possible trouble in regard to the Collection of Kists I am of opinion that they deserve no consideration and that it would be a bad precedent to make a Reduction in their Kist under the Circumstances of the Case. The utmost concession that I would recommend is the remission

of

of the £5 10/- Registration fee which I consider an unnecessary, annoying and undesirable Charge

I have the honor to be,

Sir,

Your most obedient Servant,

L. [illegible]

Collector

1

* Licencee of Ship no 4 was fined £2/- on 3rd July 1901 for exposing for Sale 36° W.P.

2. Licencee of Ship no 6 was fined £5/- on 24th January 1902 for exposing for Sale 42° & 43° W.P.

3. Licencee of Ship no 18 was prosecuted for having exposed for Sale 36° W.P. and Convicted and fined £20/- on 25th February 1902.

11 A

No. 746 Exc: 3

OFFICE OF THE DSITRICT MAGISTRATE,
CIVIL AND MILITARY STATION, BANGALORE.

Dated, 26th March *1902.*

101
273

FROM E. S. Lloyd ESQ., I. C. S.,
~~DISTRICT MAGISTRATE~~, Collector,
CIVIL AND MILITARY STATION,
BANGALORE.

RESIDENT'S OFFICE
Register No. 1747
Date of Receipt 27.3.02
File No.
101/02

To
C. L. P. Russell Esq, I.C.S.,
THE FIRST ASSISTANT TO THE HONOURABLE THE RESIDENT
IN MYSORE.

SIR,

In accordance with the personal orders of the Honorable the Resident I have the honor to forward Statements† showing the Sale results of arrack in the last 3 years in the retail Shops. It will be noticed that in 1899-1900 there were 23 shops. Since that year the number is 20

† A & B

For the years 1899-1900 and 1900-1901 only 200 UP arrack was sold and at a fixed price of 2 annas per dram.

The current year has been the

the only year in which there has been any innovation in this respect Under the terms of Notification No 994. dated 26th February 1901, Flag A Condition 12 a minimum and not a fixed price of 2 annas per dram was ordered for 20° UP and of 1 anna 10 pie for 30° UP For the first 3 months of the lease both 20° UP and 30° UP was sold, the former at 2 annas 4 pie per dram and the latter at 2 annas Since July only 30° UP has been sold at 2 annas and this rate still continues The falling off in Sales is attributed by the Excise Department to the high price

I may add for the information of the Honorable the Resident that I have ascertained that though the 20° UP double distilled arrack in the Foreign Liquor Shops is

is Sold at 2 annas: the measure for which this house is charged is not ordinarily a dram but a peg of something less than that quantity. The quantity Sold or the price demanded for it is not regulated in the Foreign Liquor Taverns. It is left to the licensees to charge what they like.

+C. I append a further statement Showing for 2 years the comparative sales in the arrack and foreign liquor Shops.

I have the honor to be,

Sir,

Your most obedient Servant,

E. J. Lloyd 26/3/02

Offg Collector

Sale of 20° up Arrack in 1900-01.

	April 00	May	June	July	August	September	October	November	December	January 01	Febry	March	Total
	Gls	Gls	Gls	Gls	Gls	Gls	Gls	Gls	Gls	Gls	Gls	Gls	Gls.
1	276	274	290	284	258	250	288	246	286	212	180	192	3036
2	226	220	247	246	252	248	256	234	284	234	196	214	2857
3	240	242	276	240	222	202	252	234	296	230	200	194	2828
4	194	194	224	208	212	194	216	206	254	220	186	186	2494
5	200	202	226	204	183	166	160	194	214	180	154	174	2257
6	326	314	332	317	324	316	327	314	350	279	236	276	3711
7	196	204	250	202	202	196	200	198	231	178	148	146	2345
8	352	366	370	336	352	340	377	320	354	318	294	320	4099
9	404	392	468	434	426	418	480	420	456	388	342	398	5026
10	298	292	344	330	330	336	384	336	384	308	306	312	3960
11	394	384	402	374	340	298	334	350	390	292	244	204	4006
12	236	266	286	270	260	242	276	256	294	238	206	230	3060
13	190	210	238	220	238	230	258	238	266	226	196	216	2726
14	272	280	332	286	248	252	308	282	308	260	216	208	3252
15	86	90	90	68	54	60	72	84	100	84	60	66	914
16	430	420	488	420	398	368	374	394	394	328	286	290	4590
17	308	320	334	312	308	288	348	290	332	276	258	320	3694
18	324	330	360	330	296	276	312	292	356	292	266	258	3692
19	132	124	138	130	128	122	134	138	174	146	114	114	1594
20	104	92	102	99	104	104	130	160	204	174	128	142	1543
Total	5188	5116	5797	5310	5113	4900	5486	5181	5927	4543	4111	4411	61693½

ϕ Sold at 0-2-0 per dram.

51 morning make 1 gallon.

Deduct :-

Balance

Submitted to the Collector

25.9.02

Sale of 30° up Arrack in 1901-02

	April 01	May	June	July	August	Septr	Octr	Novr	Decr	January 1902	February	March	Total	Remarks
	Gls	Gls	Gls	Gls	Gls	Gls	Gls	Gls	Gls	Gls	Gls.	Gls.	Gls	
1	110	114½	164	142	146	116	132	130	120	114	80			
2	107-32	142	138	160	162	138	128	116	120	138	88			
3	102	142	136	150	156	154	148	132	142	140	128			
4	98	120	128	126	128	116	118	120	120	114	84			
5	106	124	142	150	144	116	136	134	148	136	134			
6	126	168	198	182	176	166	186	176	186	198	136			
7	84	116	136	128	136	108	124	112	110	122	90			
8	190	249	308	300	310	260	308	316	344	332	280			
9	126	162	168	204	202	186	194	202	204	206	132			
10	117	177	232	272	274	244	284	280	287	302	238			
11	138	140	204	200	190	168	198	188	232	198	144			
12	138	168	202	216	214	182	238	224	212	232	160			
13	136	146	158	160	166	138	154	146	148	152	138			
14	136	178	198	224	210	180	216	218	194	220	158			
15	62	44	56	58	56	52	44	40	54	50	56			
16	204	228	296-45	226	264	196	240	242	244	262	236			
17	220	238	294	296	242	244	280	274	280	242	236			
18	158	160	156	146	180	150	156	144	114	120	88			
19	74	78	106	102	96	82	94	92	100	96	82			
20	70	82	88	78	74	70	82	78	72	66	58			
	2502-32	3004	3508-45	3520	3526	3066	3460	3364	3426	3440	2746			
	2373	314	52-45											of 20° up sold at 0-2-4 a dram for 3 months only.
	129-32	2690	3456											are of 30° up. This was sold at 0-2-0 per dram instead of 0-1-10.

Submitted to the Collector thro' the Superintendent of Excise as per personal orders of the Honorable the Resident in Mysore.

Sale of Wreaths 20 UP m

1899 — 1900.

Shop Number	April	May	June	July	Aug	Sep	Oct	Nov	Dec 99	Jan 00	Feb 00	March 00
	Sls	Sls	Sls	Sls	Sls	Sls	Sls	Sls	Sls	Sls	Sls	Sls.
1	270	274	260	248	256	240	226	222	235	210	192	192
2	174	186	195	195	200	213	211	192	209	200	166	184
3	200	208	206	202	214	200	188	184	228	212	173	174
4	192	176	152	160	156	148	166	176	196	194	192	216
5	226	194	198	196	184	204	213	184	206	176	148	156
6	270	276	274	280	256	256	244	240	264	278	204	174
7	368	320	376	390	366	364	354	310	350	316	270	292
8	242	240	240	218	202	210	212	206	212	199	170	167
9	310	308	306	334	340	350	334	298	312	312	292	312
10	358	366	360	368	356	356	334	328	366	352	312	336
11	390	410	400	404	390	384	380	364	402	366	316	350
12	498	500	478	454	424	450	440	406	492	438	382	394
13	322	348	326	338	308	316	298	240	164	246	210	210
14	290	292	254	252	244	236	256	210	250	216	182	194
15	322	326	264	262	266	282	300	274	278	274	238	242
16	242	238	224	224	184	174	160	142	122	102	62	80
17	88	76	78	80	66	68	72	72	72	60	276	62
18	400	410	412	396	372	366	366	370	376	346	90	334
19	202	209	204	206	172	174	178	110	133	111	85	78
20	482	436	440	440	414	420	378	352	372	324	284	316
21	230	288	276	266	254	266	268	248	256	230	192	224
22	252	248	248	250	244	226	224	208	196	174	136	164
23	134	128	128	122	117	122	140	140	130	118	98	116
Total	6,462	6,487	6,299	6,285	5,985	6,025	5,942	5,476	5,921	5,402	4,670	4,967

× All at 2-0 per dram.

28/3.

E Hennessy
26/3/02

C.

Comparative Statement showing the Quantity of, and duty realized on, Arrack and Fer-Legeurs (Double Distilled Spirits), sold in 1900-01 and 1901-02.

Month	1900 – 1901				1901 – 1902				
	Arrack		Fer-Legeurs		Arrack		Fer-Legeurs		
	Quantity Sold	Duty thereon	Quantity Sold	Duty thereon	Quantity Sold	Duty thereon	Quantity Sold	Duty thereon	
April	5188	24,643 . .	117.34	431 3 .	2373 + 129.3	11271 12 . 838 12 3	743	3529 4 .	+ Red ink entries represent arrack of 50° UP.
May	5,216	24,776 . .	292	1395 9 .	314 2690	1491 8 . 11180 5 .	697	3090 7 3	
June	5,797	27,535 12 .	208	991 6 .	52.45 3456	257 3 1 14364 . .	668	3151 15 9	
July	5,310	25,222 8 .	204	978 8 .	3520	14630 . .	492	2345 2 .	
August	5,735	24,391 4 .	339	1338 4 6	3526	16657 15 .	622	2914 4 6	
September	4,900	23,275 . .	204	902 3 6	3066	12743 1 .	460	2232 8 .	
October	5,486	26,058 8 .	294	1334 1 6	3460	14380 6 .	675	3092 15 6	
November	5,186	24,633 8 .	204	876 3 .	3364	13981 10 .	796	3344 1 .	
December	5,927	28,153 4 .	356	1464 7 .	3426	14239 5 .	925	4280 7 6	
January	4,863	23,099 4 .	238	923 6 6	3460	14397 8 .	877	4133 13 .	
February	4,216	20,076 . .	176	603 15 6	2746	11413 1 .	846	4045 10 .	
March	4,460	21,185 . .	334	1217 7 .					

26/3.

Office of the Collector
Customs
Bangalore 26 March 1902.

E. Keogh
Asst Collector

To be placed with
8 & 89

№ 1966
7th April 1902

RESIDENT'S OFFICE.

Serial No.
File No. 253
1901

[DRAFT.]—For approval.

From

C. L. S. RUSSELL Esq., I. C. S.,
1st Assistant to the Resident in Mysore.

To

The Collector & Dist. Magte
of Hassan

Sir,

I am directed to acknowledge the receipt of Dist. Hassan's letter № 495 dated the 3rd March 1902, reporting on a petition dated the 26th February 1902 from Rao V. Seshagiya Chetty & other licensed holders of arrack shops in the Dist. & Magte of Hassan.

2. I am to request that the petitioners may be informed with reference to their petition, in the sense of my letter № 4011 dated the 14th August 1901.

I have, etc.,

№ 4/4/02 4/4/02 First Asst to Resident

RESIDENT'S Office, Bangalore
Register No. 5890
Date of Receipt 22-10-02
File No. 253/1901

To

The Honorable Colonel DONALD ROBERTSON, C. S. I.,
BRITISH RESIDENT IN MYSORE,
BANGALORE.

SIR,

THE undersigned Petitioners beg to submit herewith a Memorial to His Excellency the Viceroy and Governor General of India, and beg that you will be good enough to forward the same to him.

Your Petitioners shall ever pray.

M. V. SESHAYYA CHETTY,
K. ADAYYA CHETTY,
H. SUBBARAYA CHETTY,
M. VENKATACHELLA MOODELIAR.
M. GOVINDARAJ MOODELIAR.
M. SEENIAH CHETTY,

BANGALORE,
20th October 1902.

To

H. E. The Right Honourable

GEORGE NATHANIEL, BARON CURZON

OF KEDLESTON,

P. C., G. M. S. I., G. M. I. E.,

Viceroy and Governor-General

of INDIA.

THE Humble Memorial of the undersigned M. V. SESHAYYA CHETTY and others, Arrack Shop Contractors of the Civil and Military Station Bangalore, for the year 1901-1902.

Most Respectfully Sheweth,

1. THAT Your Excellency's humble memorialists were the contractors for the vending of arrack in all the twenty shops of the Civil and Military Station, Bangalore, during the year 1901—1902.

2. THAT Your Excellency's humble memorialists competed at the auction sale, raised the bid and purchased the right of sale in the said twenty shops for Rs. 71,000 that is for Rs. 18,000 more than what was realised in the previous year.

3. THAT in addition to the payment of the said Rs. 71,000 Your Excellency's humble memorialists had further to pay several other charges and they undertook the whole of this burden in view of the condition attached to the sale proclaimed in the Honourable the Resident's Notification No. 994 dated the 26th of February 1901, that they were to sell arrack in the licensed shops at a rate not less than 2 annas per dram 20° U. P. and that they had the exclusive right of so vending.

4. THAT about the time Your Excellency's humble memorialists purchased the right of selling in the arrack shops, the right of selling foreign liquors and double distilled arrack in the 13 refreshment rooms of the Civil and Military Station, Bangalore, was also sold for a sum of Rs. 13,000 i. e. Rs. 6,000 less than what was realised in the previous year.

5. THAT in addition to the low price they paid, they had not the onus of paying the same registration fee as had Your Excellency's humble memorialists to pay nor the sur-charges on the extra quantity sold.

6. THAT it was not believed by Your Excellency's humble memorialists at the time of the sale that the refreshment room contractors would run in competition with them as their right to sell arrack was exclusive and the refreshment room contractors had only to deal with foreign liquors and in double distilled arrack.

7. THAT the refreshment room contrators commenced to sell in retail foreign liquors in jars on pials and also arrack obtained from the distillery within

the Mysore State for a price far below the rate at which Your Excellency's humble memorialists were selling the same stuff with the result that Your Excellency's humble memorialists were altogether undersold in this competition.

8. THAT the refreshment room contrators had advantages over Your Excellency's humble memorialists in the following respects.

(*a*) The refreshment room contractors purchased 13 shops for Rs. 13,000 or at an average of Rs. 1,000 for each shop whereas Your Excellency's humble memorialists purchased the twenty shops for Rs. 71,000 or at an average of over 3,550 Rs. for each shop.

(*b*) The refreshment room contractors had to pay a registration fee of Rs. 100 for each shop whereas in the case of Your Excellency's humble memorialists, it was 180 Rs. for each shop.

(*c*) The refreshment room contractors had no surcharges on any quantity sold in excess of 55 gallons in each shop whereas Your Excellency's humble memorialists had to pay in such a case four annas for each gallon.

(*d*) The refreshment room contractors had the right of selling all foreign liquors including arrack in the same premises, but Your Excellency's humble memorialists had the right of selling arrack and no other liquor.

In addition to the several advantages possessed by them as detailed above, the refreshment room contractors adopted the subterfuge of passing arrack of the same quantity as that sold by Your Excellency's humble memorialists admixtured with some colored matter as foreign liquor. This Your Excellency's humble memorialists venture to submit could not be deemed to be foreign liquor as according to the definition of it in Government Notification No. 1066 dated the 28th of February 1901, all colored or flavored spirits manufactured in the Country *excised* at *the Tariff rates of import duty but does not include* ordinary arrack manufactured in the country *excised at Tariff rates.* They did further, with a view to invite customers, adopt the device of selling foreign liquors in jars as superior arrack.

9. THAT it was an infrigement of the condition of the licence to the Refreshment Room Contractors to sell simple distilled arrack, but they availed themselves of a notification of the Mysore State that single distilled arrack drawn off from the rectifier of Coffey's process to be deemed to be equal to the double distilled—a notification having nothing corresponding to it in the Civil and Military Station, Bangalore.

10. THAT under the circumstances set forth above what was considered by Your Excellency's humble memorialists and was notified as the *exclusive* privilege of selling arrack was not so in practice and this coupled with the several advantages, the Refreshment Room Contractors had over Your Excellency's humble memorialists and the prevalence of plague during the period of the Contract led to the ruin of most of them.

11. THAT these facts were placed before the Honorable the Resident with a prayer that there might be a partial remission, at least, of the payment of the contract amount that they might thereby be saved from a portion of the loss they had sustained, but they were every time told that whatever was the loss they had suffered was the result of their own action and that he declined to interfere.

12. THAT from the tenor of the said order the Honorable the Resident does not seem to have understood the point of the grievance of Your Excellencys'

humble memorialists as the loss they sustained was not so much the result of their act as that of the Refreshment Room Contractors in infringing the right of the arrack vendors by their selling single distilled arrack when their right was to vend arrack doubled distilled and by their selling foreign liquors in jars and passing them for superior arrack.

13. That Your Excellency's humble memorialists beg to submit that this grievance was noticed by the excise authorities and remedial measures have been adopted by way of redress to the arrack vendors for the current year.

14. Your Excellency's humble memorialists most respectfully pray, that Your Excellency, under the circumstances stated above, will graciously be pleased to direct refund of the amount realized in excess of what the right was sold for the previous year that is Rs. 18,000 and retrieve Your Excellency's humble memorialists from a portion of the loss they have sustained and recoup the same if Your Excellency should so desire by levying that amount from the Refreshment Room Contractors who were the primary cause of the loss to Your Excellency's humble memorialists and of their ruin.

For this act of kindness Your Excellency's Humble Memorialists shall ever pray.

M. V. SESHAYYA CHETTY,
K. ADAYYA CHETTY,
H. SUBBARAYA CHETTY,
M. VENKATACHELLA MOODELIAR.
M. GOVINDARAJ MOODELIAR.
M. SEENIAH CHETTY.

Bangalore,
20th October 1902.

To be placed with
8.8-12.

No. 6234
5th Nov 1902

RESIDENT'S OFFICE.

Serial No.
File No. 153
1901

[DRAFT.]—For approval.

From

R. C. H. MOSS KING, Esq., I. C. S.,
1st Assistant to the Resident in Mysore.

Endorsement

1.13

With reference to their petition dated the 20th October 1902 forwarding a memorial to the address of H.E. the Viceroy & Governor General of India, in C. Seshayya's petty & certain other license holders of wreck ships in the Collectorate of Nellore for the year 1901-1902 are informed that the memorial has been entertained under the marginal note a rule 3 (10), Section III, of the rules relating to the transmission submission of memorials ~~to extract of the rule is enclosed~~

Resident

24/10/02 Asst to Mr Resident

Note

This should be included in the list of petitions entertained and forwarded to the Govt of India —

noted 6.12.a. 5/12 '02

To C. Seshayya petty
Collr Nellore
C. 1. xi.
F. 3. xi.

Received No. 7159
Date 22-12-02
File No. 2530

To

The Honourable
The Resident
in Mysore
Bangalore.

The petition of M. V. Seshayya Chetty and others arrack-Shop Contractors for 1901-02, Civil and Military Station, Bangalore

Most respectfully Showeth.

That your petitioners submitted on the 21st October 02, a petition for favour of forwarding a Memorial addressed to His Excellency The Viceroy and Governor-General of India.

2. That your petitioners are

now is informed in respectfully begs an enlargement dated the 5th November 02, that the Memorial has been withheld as more than six months have elapsed from the date of such Communication of Your Orders.

D. 14

3. That Your petitioners' Memorial to His Excellency the Viceroy and Governor-General of India is an appeal against Your Orders dated the 21st April 02, of which Your petitioners became aware only some four or five days after the Orders was passed that is on the 25th April 02

D. 12

7 ?

The order was communicated to petitioners by [illegible] on 25/21 April 1902

4. That Your petitioners most respectfully beg to submit that their Memorial submitted on the

21st October 02, is on the last day of the Sixth month even without taking into Consideration the time occupied in the transmission of the Orders appealed against.

5. That even this delay of six months would not have occurred but for your Several petitioners living in different places, one not knowing the whereabouts of the other and hence the difficulty of obtaining the Signatures of all your petitioners.

6. The petitioners most respectfully pray that under the circumstances their memorial to His Excellency, the Viceroy and Governor General of India may be forwarded to him...

For this act of Kindness

and generosity your petitioners shall ever pray.

(Signed) M. K. Subbaraya Setti
(do) K - Addiyya Setti
(do) K Subbaraya Setti

T

To be placed with
P.B-14.
No. 430 Encl
30-1-03.

RESIDENT'S OFFICE.

Serial No. 16
File No. 253
1901

[DRAFT.]—For approval.

From

R. C. H. MOSS KING, Esq., I. C. S.,
1st Assistant to the Resident in Mysore.

Endorsement

With reference to petition ~~dated~~ without date (received on the 22nd December 1902, of M. V. Seshayya Chetty & certain others) are informed that the accompaniments of their memorial to the address of H. E the Viceroy and Governor General of India should be properly authenticated by their signatures as required by rule 2 Section 1 of the rules relating to the transmission of memorials.

2. The memorial is accordingly returned for the necessary ~~being complied with~~ compliance.

Sd. R. Kirkwood
1st Asst. Resident

A 15

Allen

*with enclosure.

To M. V. Seshayya Chetty
Late License holder of Arrack Shop,
C in Station of Bangalore

P.28-1 28/1/03

21/Dec

17

RESIDENT'S OFFICE, BANGALORE.
Register No. 835
Date of Receipt 21-2-03
File No. 253 of 1901

To

The Honorable The British Resident in
Mysore,
Bangalore.

Honor Sir,

We most respectfully beg to resubmit the accompanying memorial with the attestation of all the Petitioners Except one Seenia Chetty who recently died of plague, as directed in your order No. 430 dt 30 Jan 03. and request that you will be graciously pleased to transmit the same to His Excellency the Viceroy of India

S. 16.

20th Feb 03
Bangalore

Yours Most Obedient and
Humble Servants

30 [illegible]

[illegible]

To be placed with
SL 8.16

18

RESIDENT'S OFFICE.

Serial No.

File No. 253 1901

[DRAFT.]—For approval.

From The Hon. Lt. Col. Sir Donald Robertson. K.C.S.I.
~~R. C. H. MOSS. KING, Esq., I. C. S.,~~
~~1st Assistant to the~~ Resident in Mysore.

To

L.W. Dane Esquire, I.C.S.
Offg. Secretary to the Govern-
-ment of India, Foreign Deptt.

Sir,

I have the honour to forward, for the orders of the Government of India, a memorial dated the 20th. October 1902, from M.V. Seshayya Chet-ty and other license holders of the arrack shops in the Civil and Mili-tary Station of Bangalore for the year 1901-1902, praying for the refund of Rs.18000/- being the amount by which the previous years bid for these same shops had been exceeded. The memorial which is an appeal against the orders passed by me on the 7th April 1902, was received in this office on the 22nd October 1902, and was there-fore withheld as time barred under

rule

Sl.12 File 253/1901.

No 1238.
10 March 1903.
SC 9 In 4
3/3/03
Read

rule 3(10) section III of the rules relating to the submission of memorials, and the fact was reported in my letter No.471, dated the 2nd. February 1903. It has, however, since been explained that the orders of the 7th.April 1902 which were communicated through the Collector and the Superintendent of Excise, did not reach the memorialists until 25th. April 1902. and the me-morial, being thus within time, is now submitted to the Government of India.

Sl 61 file 52 of 1890

Sl.15 File 253/1901 and notes thereon

2. The right of selling country spirits in each of the 20 shops in the Civil and Military Station for the year 1901-1902 was, as usual, put up to public auction on the 13th. March 1901. The competition at the sale was very keen owing to the appear-ance of two purchasers from Bowring-pett in the Kolar District of the Mysore State and some new bidders from

Sl 10 file 30 of 1901

Bangalore

Bangalore, and the shops were eventu-
-ally purchased by the signatories to
the memorial, who formed themselves
into a company, at the price of
Rs. 71000/or 18000/-more than that ~~of~~ for
the previous year. Having thus secured
the monopoly of the sale of arrack in
the Civil and Military Station, the
memorialists apprehending that owing
to the large price which they had paid
for the farm, they would not, with
normal sales at the ordinary price of
2 annas per dram, clear any profit
and might indeed incur considerable
loss, raised the price of arrack to
2½ annas per dram. The ~~only~~ result of
this measure however was to bring the
arrack into direct competition with
the locally manufactured foreign
liquor, and the memorialists ~~accordingly~~ thereby lost [illegible]

3. Four out of six persons who have
signed the present memorial submitted
a representation to the Resident on
the subject in May 1901, and another
petition

Sl.1 File 253/1901

(*Continuation of Draft*).

petition purporting to be from all the license holders and signed by one

Sl.3 File 253/1901

of them was received in June 1901. After making the necessary enquiries, Mr. Crawford my locum tenes came to the opinion that the competition which had arisen was entirely the result of the action of the license holders themselves in enhancing the retail price. He therefore declined to take any action and the petitioners were informed accordingly through the Col-

Sl. 7------do-------

-lector in August 1901. In February 1902, another petition duly signed by the memorialists was received, and after per-sonal inspection of some of these shops, I agreed with Mr. Crawford's view of the matter, and the petition-ers were referred through the Col-lector in April 1902 to the previous

Sl.12 -----do------

orders passed by Mr. Crawford.

4. Against this order the memorialists have now appealed to the Government of India. The chief argument on which

they

(*Continuation of Draft*).

they in case this request for the refund of Rs.18000/- is that arrack of the same quality as that sold by the memorialists, was and sold by foreign liquor deemed "foreign liquor" vendors. The term "foreign liquor" includes under the definition approved in Foreign De-partment letter No. 1091 I.A. dated 28th April 1899, "all coloured or flav-voured spirits manufactured in the country and excised at the tariff rate of import duty". Spirits falling with-legitimately -in the above definition can therefore be sold in foreign liquor shops. The liquor to the sale of which in these shops the memorialists have objected was undoubtedly coloured or flavoured. The tariff duty on such liquor is Rs.6 per gallon proof but the supplies which the foreign liquor lessees obtained from the Mysore Government distillery at Bangalore were actually excised at the rate of Rs.4-12-0 a gallon for 20 degrees under proof, the rate at which country arrack is excised, and which is understood to be equivalent

Sl 9. file 381 of 1895

(*Continuation of Draft*).

equivalent to ₹ 5 -15-0 per gallon proof. Strictly speaking therefore, under ~~its~~ definition above mentioned, this liquor should not have been allowed to be sold in the foreign liquor shops, as it was excised at one anna per gallon less than the tariff rate. But as a matter of fact this particular liquor had been specially declared to come within the definition of 'foreign spirit' for the purposes of the Excise Act by notification of the Resident in Mysore, No.5107, d/ the 23rd December 1895, which was at the time still in force. The sale of this liquor in the Foreign liquor shops was not therefore unauthorized-a fact which the memorialists must have known perfectly well at the time they bought the farm, and had as a matter of fact ~~as such sale had~~ been going on for some years past. Moreover the difference of one anna per gallon between the excise duty and the tariff rate is so small that it could not in any case have affected the question of competition between the two classes of liquor.

Sl.27 File 13 of 1888
Published in the Gazette of India dated 4-1-96 Part II. page 9.

5. Another matter alluded to in the

memorial

(*Continuation of Draft*).

memorial is the adoption in the foreign liquor shops of the device of selling liquor in jars as superior arrack. This is not prohibited by the rule under the Excise Act, but when this point, as well as the fact of the premises of foreign liquor taverns altered to make them resemble arrack shops, was brought to notice, the Collector took steps at once to suppress such devices on the part of the foreign liquor vendors

Sl.4 File 253/1901

6. As will be seen from para 9 of my letter to the Govt of India, Foreign Deptt. No.140 dated 12th. January 1899, the possibility of competition between the arrack shpps and the foreign liquor taverns is one which, though it apparently had not occurred to the memorialists, was foreseen when the excise arrangements now in force were under discussion. It was the action of the memorialists in raising the retail price of arrack which brought this com-

-petition

13/5/03

No. 2112-I.A.

FROM
RESIDENT'S OFFICE, BANGALORE.
Register No. 2129
Date of Receipt 13-5-03
File No. 253/1901

THE ASSISTANT SECRETARY TO THE
GOVERNMENT OF INDIA
in the Foreign Department,

To

The Hon'ble Lieutenant Colonel Sir Donald Robertson,
K.C.S.I.,

Resident in Mysore.

Dated Simla, the 8th May, 1903

SIR,

I am directed to acknowledge the receipt of your letter, No. 1238, dated the 10th March 1903, forwarding a memorial addressed to the Viceroy and Governor General by M. V. Seshayya Chetty and other license holders of the arrack shops in the Civil and Military Station of Bangalor for the year 1901-1902, in which they pray for the refund of Rs. 18,000, being the amount by which the previous year's bid for these shops had been exceeded.

S.18

2. The Government of India see no reason for interfering with the orders passed by you in the matter, and I am to request that the memorialists may be informed that their

G. C. Press, Simla.—No. 287 F. D.—30-4-1903.—3,000.

their petition has been rejected.

I have the honour to be,

Sir,

Your most obedient servant,

V. Gairola

Assistant Secretary to the Government of India.

the year 1901-1902, appealing against the orders of the Government of India which were conveyed in Mr. Gabriel's letter, No. 2112-I.A., dated the 8th May 1903.

2. The arguments contained in the present memorial were fully discussed in Sir Donald Robertson's letter, No. 1238, dated the 10th March 1903, and I have no further remarks to offer.

To

Enclo, Cutto 85

THE RIGHT HON'BLE ST. JOHN BRODRICK,
His Majesty's Secretary of State for India,
India Office, Downing Street, London.

The humble memorial of the undersigned M. V. SESHAYYA and others, arrack shop contractors of the Civil and Military Station, Bangalore, for the year 1901-1902.

MOST RESPECFULLY SHOWETH—

That your humble memorialists respectfully beg to appeal against the order of His Excellency the Viceroy conveyed to them by the British Resident in Mysore at Bangalore in his memorandum No. 1372, dated 22nd May 1903, which was received by the memorialists on or about the 3rd June 1903, and a copy of which, together with a printed copy of their memorial addressed to His Excellency the Viceroy which resulted in the above order, is enclosed for Your Excellency's kind perusal and consideration.

2. That, as mentioned in paragraph 8 of the said memorial, the refreshment room contractors had advantages over the memorialists in the following respects:—

(*a*) The refreshment room contractors purchased 13 shops for Rs. 13,000, or at an average of Rs. 1,000 for each shop, whereas the memorialists had purchased their 20 shops for Rs. 71,000, or at an average of over Rs. 3,550 for each shop.

(*b*) The refreshment room contractors had to pay a registration fee of Rs. 100 for each shop as against Rs. 180 per shop which the memorialists had to pay.

(*c*) The refreshment room contractors had no surcharges on any quantity sold in excess of 55 gallons in each shop, whereas the memorialists had to pay in such a case 4 annas for each gallon.

(*d*) The refreshment room contractors had the right of selling all foreign liquors including arrack in the same premises, while the memorialists had the right to sell arrack only and no other liquor.

In addition to the several advantages possessed by them as detailed above the refreshment room contractors adopted the subterfuge of passing arrack of the same quality as that sold by the memorialists admixtured with some coloured matter as foreign liquor. This could not, Your Excellency's humble memorialists venture to submit, be deemed to be foreign liquor, as according to the definition contained in Government Notification No. 1066, dated 28th February 1901, foreign liquor includes all coloured or flavoured spirits manufactured in the country *excised at the tariff rates of import duty but does not include* ordinary arrack manufactured in the country *excised at tariff rates.* The said contractors did further, with a view to invite customers, adopt the device of selling foreign liquors in jars as superior arrack.

3. That, referring to paragraph 13 of the said memorial to the Government of India, the memorialists humbly beg to bring to Your Excellency's kind notice that in August 1902, the Excise authorities compelled the refreshment room contractors to discontinue the sale of such double distilled arrack in jars, informing them that by their so doing the public, who are real consumers of country arrack, drink this double distilled arrack wrongly taking it to be the proper country arrack as sold in the arrack shops, thereby ruining

the arrack contractors to a great extent. The steps taken by the Excise authorities to prevent the refreshment room contractors from selling double distilled arrack in jars in 1902, clearly prove that the memorialists were perfectly justified in requesting the Hon'ble the Resident for a remission of their heavy loss, as per paragraph 11 of their memorial. This is the most important point which Your Excellency may be graciously pleased to consider. Had the same precaution been taken by the Excise authorities in 1901 during which year the memorialists were the contractors, the memorialists would not have been ruined to such a great extent as they are now, but would, on the other hand, have been benefited by the contract.

4. That the memorialists humbly solicit that on a consideration of all the facts as stated above, and the heavy loss sustained by the memorialists from causes beyond their control, Your Excellency may be graciously pleased to reverse the order of the Government of India and retrieve the memorialists from the injury they have sustained, and have justice done to the memorialists which they have been denied at the hands of the Government of India.

For which act of kindness the memorialists will ever remain grateful.

The memorialists beg to remain,
Your Excellency's most obedient and humble Servants,
M. GOVINDARAJ MOODELIAR.
M. VENKATACHELLA MOODELIAR.
(*Three other signatures in vernacular.*)

DATED BANGALORE;
The 2nd December 1903.

Subuncla 2
Encls,
Nos 85

To

HIS EXCELLENCY THE RIGHT HONOURABLE
GEORGE NATHANIAL, BARON CURZON,
OF KEDLESTON, P.C., G.M.S.I., G.M.I.E.
Viceroy and Governor-General of India.

The humble memorial of the undersigned M. V. SESHAYYA CHETTY and others, arrack shop contractors of the Civil and Military Station, Bangalore, for the year 1901-1902,

MOST RESPECTFULLY SHEWETH—

1. That Your Excellency's humble memorialists were the contractors for the vending of arrack in all the 20 shops of the Civil and Military Station, Bangalore, during the year 1901-1902.

2. That Your Excellency's humble memorialists competed at the auction sale, raised the bid and purchased the right of sale in the said 20 shops for Rs. 71,000 that is for Rs. 18,000 more than what was realised in the previous year.

3. That in addition to the payment of the said Rs. 71,000, Your Excellency's humble memorialists had further to pay several other charges and they undertook the whole of this burden in view of the condition attached to the sale proclaimed in the Hon'ble the Resident's Notification No. 994, dated the 26th of February 1901, that they were to sell arrack in the licensed shops at a rate not less than 2 annas per dram 20° U. P. and that they had the exclusive right of so vending.

4. That about the time Your Excellency's humble memorialists purchased the right of selling in the arrack shops, the right of selling foreign liquors and double distilled arrack in the 13 refreshment rooms of the Civil and Military Station, Bangalore, was also sold for a sum of Rs. 13,000, *i.e.*, Rs. 6,000 less than what was realised in the previous year.

5. That in addition to the low price they paid, they had not the onus of paying the same registration fee as had Your Excellency's humble memorialists to pay, nor the surcharges on the extra quantity sold.

6. That it was not believed by Your Excellency's humble memorialists at the time of the sale that the refreshment room contractors would run in competition with them as their right to sell arrack was exclusive and the refreshment room contractors had only to deal with foreign liquors and in double distilled arrack.

7. That the refreshment room contractors commenced to sell in retail foreign liquors in jars on pials and also arrack obtained from the distillery within the Mysore State for a price far below the rate at which Your Excellency's humble memorialists were selling the same stuff with the result that Your Excellency's humble memorialists were altogether undersold in this competition.

8. That the refreshment room contractors had advantages over Your Excellency's humble memorialists in the following respects:—

(*a*) The refreshment room contractors purchased thirteen shops for Rs. 13,000 or at an average of Rs. 1,000 for each shop, whereas Your Excellency's humble memorialists purchased the 20 shops for Rs. 71,000 or at an average of over Rs. 3,550 for each shop.

(*b*) The refreshment room contractors had to pay a registration fee of Rs. 100 for each shop, whereas in the case of Your Excellency's humble memorialists, it was Rs. 180 for each shop.

(*c*) The refreshment room contractors had no surcharges on any quantity sold in excess of 55 gallons in each shop, whereas Your Excellency's humble memorialists had to pay in such a case 4 annas for each gallon.

(*d*) The refreshment room contractors had the right of selling all foreign liquors including arrack in the same premises, but Your Excellency's humble memorialists had the right of selling arrack and no other liquor.

In addition to the several advantages possessed by them as detailed above, the refreshment room contractors adopted the subterfuge of passing arrack of the same quality as that sold by Your Excellency's humble memorialists admixtured with some coloured matter as foreign liquor. This Your Excellency's humble memorialists venture to submit that it could not be deemed to be foreign liquor as according to the definition of it in Government Notification No. 1066, dated the 28th of February 1901, foreign liquor includes all coloured or flavoured spirits manufactured in the country *excised* at *the tariff rates of import duty but does not include* ordinary arrack manufactured in the country *excised at tariff rates*. They did further, with a view to invite customers, adopt the device of selling foreign liquors in jars as superior arrack.

9. That it was an infringement of the condition of the license to the refreshment room contractors to sell simple distilled arrack, but they availed themselves of a notification of the Mysore State that single distilled arrack drawn off from the rectifier of Coffey's process was to be deemed to be equal to the double distilled—a notification having nothing corresponding to it in the Civil and Military Station, Bangalore.

10. That under the circumstances set forth above what was considered by Your Excellency's humble memorialists and was notified as the *exclusive* privilege of selling arrack was not so in practice and this coupled with the several advantages, the refreshment room contractors had over Your Excellency's humble memorialists and the prevalence of plague during the period of the contract led to the ruin of most of them.

11. That these facts were placed before the Hon'ble the Resident with a prayer that there might be a partial remission, at least, of the payment of the contract amount that they might thereby be saved from a portion of the loss they had sustained, but they were every time told that whatever was the loss they had suffered was the result of their own action and that he declined to interfere.

12. That from the tenor of the said order the Hon'ble the Resident does not seem to have understood the point of the grievance of Your Excellency's humble memorialists as the loss they sustained was not so much the result of

their act as that of the refreshment room contractors in infringing the right of the arrack vendors by their selling single distilled arrack when their right was to vend arrack doubled distilled and by their selling foreign liquors in jars and passing them for superior arrack.

13. That Your Excellency's humble memorialists beg to submit that this grievance was noticed by the Excise authorities and remedial measures have been adopted by way of redress to the arrack vendors for the current year.

14. Your Excellency's humble memorialists most respectfully pray, that Your Excellency, under the circumstances stated above, will graciously be pleased to direct refund of the amount realized in excess of what the right was sold for the previous year, that is Rs. 18,000, and retrieve Your Excellency's humble memorialists from a portion of the loss they have sustained and recoup the same if Your Excellency should so desire by levying that amount from the refreshment room contractors who were the primary cause of the loss to Your Excellency's humble memorialists and of their ruin.

For this act of kindness Your Excellency's humble memorialists shall ever pray.

M. V. SESHAYYA CHETTY.
K. ADAYYA CHETTY.
H. SUBBARAYA CHETTY.
M. VENKATACHELLA MOODELIAR.
M. GOVINDARAJ MOODELIAR.
M. SEENIAH CHETTY.

BANGALORE;
The 20th October 1902.

Subjuncto 1, Epsto. Jusho 85

Seal of the Office of the Collector and District Magistrate, Civil and Military Station, Bangalore, No. 2227, dated the 27th May 1903.

Mysore Resident's Office,
Bangalore, 22nd May 1903.

No. 2372.

MEMORANDUM.

With reference to their memorial, dated the 20th October 1902, addressed to His Excellency the Viceroy and Governor-General of India, M. V. Seshayya Chetty and the other memorialists are informed that the Government of India have rejected their memorial.

R. C. H. MOSS-KING,
First Assistant Resident.

To—M. V. SESHAYYA CHETTY and others, late license-holders of the arrack shops, through the Collector, Civil and Military Station, Bangalore.

No. 1272, dated the 26th May 1903.

Forwarded.

E. S. LOYD.

G. I. C. P. O.—No. 3339 F. D.—26-1-1904--35.—L. G. G.

Bangalore were actually excised at the rate of R4-12-0 a gallon for 20 degrees under proof, the rate at which country arrack is excised, and which is understood to be equivalent to R5-15-0 per gallon proof. Strictly speaking, therefore, under the definition above mentioned, this liquor should not have been allowed to be sold in the foreign liquor shops, as it was excised at 1 anna par gallon less than the tariff rate. But as a matter of fact this particular liquor had been specially declared to come within the definition of "foreign spirit" for the purposes of the Excise Act by Notification * of the Resident in Mysore, No. 5107, dated the 23rd December 1895, which was at the time still in force. The sale of this liquor in the foreign liquor shops was not therefore unauthorized, a fact which the memorialists must have known perfectly well at the time they bought the farm, and had, as a matter of fact, been going on for some years past. Moreover the difference of 1 anna per gallon between the excise duty and the tariff rate is so small that it could not, in any case, have affected the question of competition between the two classes of liquor.

* Published in the *Gazette of India*, dated 4th January 1896, Part II, page 9.

5. Another matter alluded to in the memorial is the adoption in the foreign liquor shops of the device of selling liquor in *jars* as superior arrack. This is not prohibited by the rules under the Excise Act, but when this point, as well as the fact of the premises of foreign liquor taverns being altered to make them resemble arrack shops, was brought to notice, the Collector took steps at once to suppress such devices on the part of the foreign liquor vendors.

6. As will be seen from paragraph 9 of my letter to the Government of India, Foreign Department, No. 140, dated 12th January 1899, the possibility of competition between the arrack shops and the foreign liquor taverns is one which, though it apparently had not occurred to the memorialists, was foreseen when the excise arrangements, now in force, were under discussion. It was the action of the memorialists in raising the retail price of arrack which brought this competition into actual effect. In short they overreached themselves; they paid a price for the farm which could not ordinarily be remunerative; tried to recover themselves by the device of raising the price of arrack; and, this having failed, are now asking to be let off part of their liabilities. They have in my opinion no reasonable cause for complaint against Government and I venture to recommend that their memorial be rejected.

Note.—The memorial is not printed here as it forms a subenclosure of enclosure 3.

No. 2112-I.A., dated Simla, the 8th May 1903.

From—The Assistant Secretary to the Government of India in the Foreign Department,

To—The Hon'ble Lieutenant-Colonel Sir Donald Robertson, K.C.S.I., Resident in Mysore.

I am directed to acknowledge the receipt of your letter No. 1238, dated the 10th March 1903, forwarding a memorial addressed to the Viceroy and Governor-General by M. V. Seshayya Chetty and other license-holders of the arrack shops in the Civil and Military Station of Bangalore for the year 1901-1902, in which they pray for the refund of R18,000, being the amount by which the previous year's bid for these shops had been exceeded.

2. The Government of India see no reason for interfering with the orders passed by you in the matter, and I am to request that the memorialists may be informed that their petition has been rejected.

Pra No 85

No. 6175, dated Bangalore, the 16th December 1903.

From—The Hon'ble Mr. J. A. Bourdillon, C.S.I., Resident in Mysore,

To—L. W. Dane, Esq., Secretary to the Government of India in the Foreign Department.

I have the honour to forward a memorial addressed to His Majesty's Secretary of State for India by M. V. Seshayya Chetty and other license-holders of the arrack shops in the Civil and Military Station of Bangalore for

3/1916

RESIDENT'S OFFICE, BANGALORE.
Register No. 5659
Date of Receipt 4-12-03
File No. 253/1901

To

The Honorable the British Resident in Mysore,

BANGALORE.

Honored Sir,

We the undersigned most respectfully beg your Honor to be so kind as to forward the accompanying Memorial and its enclosures to the Right Honorable the Secretary of State for India, Downing Street, London.

We beg to remain,

Honored Sir,

Your most obedient servants,

ಮಾ- ಶೆಷಗಿರಿ ಶೆಟ್ಟಿ

ಶೆಂ-ಶ್ರೀನಿವಾಸ ಶೆಟ್ಟಿ

M. Gauri Shankar Shetty

M Venkatachella Moodly

ಕೆ. ಕೃಷ್ಣಸ್ವಾಮಿ

R. P. E.—11-03.—1,000.

No. 6175
16 December
1903.
Encl

RESIDENT'S OFFICE.

Serial No.
File No. 253
1901

[DRAFT.]—For approval.

From The Hon'ble Mr. J. H. Bourdillon
~~R. C. H. MOSS, KING, Esq., I.C.S.~~, C.S.I.
~~1st Assistant to the~~ Resident in Mysore.

To

L. W. Bruce Esqre I.C.S,
Secretary to the Govt of India,
Foreign Department

Sir

Encl 1 & 2

I have the honour to forward a memorial ~~adressed~~ addressed to His Majesty's Secretary of State for India by M. V. Seshagiriya Chetty & others ~~counsels~~ licensees holders of the arrack shops in the Cantonment of Bangalore for the year 1901–1902, appealing against the orders of the Govt of India which were conveyed in Mr. Gabriel's

1.19 letter No. 2112. I. ~~dated~~ dated the 8th May 1903.

2 The arguments contained in the present Memorial were fully discussed in Sir Donald Robertson's letter N-1238 dated the 10th March 1903, & I have no further remarks to offer

S.I.S

I have, etc,

(Signed) J. A. Barnerjee

Resident.

W.
12/12/03

12/12

21/4/04

23

No. 1464. I.A.

FROM

THE ASSISTANT SECRETARY TO THE GOVERNMENT OF INDIA

in the Foreign Department,

Rough endorsement & draft for approval -
22/4/04

To

The Hon'ble Sir James Bourdillon, K.C.S.I.,

Resident in Mysore.

RESIDENT'S OFFICE BANGALORE
No. 2015
21 APR 1904
253/1901

Dated Simla, the 16th April *1904.*

SIR,

S.22 I am directed to refer to your letter No.6175, dated the 16th December 1903, forwarding a memorial addressed to His Majesty's Secretary of State for India, by M. V. Seshayya Chetty and other license-holders of the arrack shops in the Civil and Military station of Bangalore for the year 1901-1902, in which they appeal against the orders of the Government of India rejecting their claim for the refund of Rs.18,000.

2. His Majesty's Secretary of State, to whom the memorial was duly forwarded, sees no sufficient reason for

G. C. Press, Simla.—No. 1394 F. D.—11-11-1902.—1,000.

for interfering with the orders of the Government of India, and has requested that the memorialists may be informed that he will not intervene on their behalf.

I have the honour to be,
Sir,
Your most obedient servant,

V. Gabriel

Assistant Secretary to the Govt. of India.

R. P. B.—3-04.—500.

No 217-a
Dated 28th April 1904

RESIDENT'S OFFICE.

Serial No. 24
File No. 253
1901

[DRAFT.]—For approval.

From

R. C. H. MOSS. KING, Esq., I. C. S.,
1st Assistant to the Resident in Mysore.

Endorsement

With reference to their memorial addressed to His Majesty's Secretary of State for India on which they appeal against the orders of the Govt of India rejecting their claim for the refund of Rs 18000/ on account of Seshayya Chetty & other License holders of the Arrack Shops in the Civil Station of Bangalore for the year 1901-1902 are informed that His Majesty's Secretary of State to whom the memorial was duly forwarded, sees no sufficient reason for interfering with the

(Continuation of Draft),

the wishes of the Govt of India
& ~~have requested that the~~
~~Immoveables~~ will not
interfere ~~in this~~ behalf of
the Immoveables.

(Signed) R. M. King

First Asstt Resident

To M. V. Reshim Chetty & Sons
Thro' the Collector, S. Arcot

R.M.
22/4/64

22/4/64